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MILITARY ASSISTANCE: A TOOL OF NATIONAL SECURITY AND AMERICAN DIPLOMACY.

MILITARY ASSISTANCE
A Tool of National Security and American Diplomacy

by

J. J. Bahm

Submitted to the
Faculty of the School of International Service
of The American University
In Partial Fulfillment of
The Requirements for the Degree
of
MASTER OF ARTS

Signatures of Committee:

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Abstract of

THE MILITARY ASSISTANCE PROGRAM
A Tool of National Security and American Diplomacy

The Military Assistance Program has been a feature of American national strategy for nearly twenty years. It began with the Greek-Turkish Aid Program of 1947 which was enacted as a commitment supporting the Truman Doctrine. This Doctrine proclaimed an American policy of aiding any state which was threatened by Communist aggression. The American containment policy evolved from this first commitment of the United States to deter Soviet expansion.

In order to implement containment, the United States undertook the creation of extensive bilateral and multilateral military alliances. Under the provisions of these treaties, the United States agreed to extend military aid in the form of military equipment, training, and financial support to those nations which joined the United States in mutual defense pacts.

The early legislative acts which authorized and funded the many military assistance programs were essentially ad hoc laws with little planned correlation between the various programs. But in 1961, the Congress enacted a new and comprehensive law which brought nearly all the foreign assistance programs, economic as well as military, under one package. This was the Foreign Assistance Act of 1961. This act remains the basic legislation for all of today's military assistance plans.

Over the years, there has been a considerable amount of criticism of military assistance as being ineffective, wasteful, and a give-a-way. Much of this criticism has originated in the Congress with the result that the successive presidential administrations have been continually burdened in attempting to get adequate funds for military aid. Support of military assistance has come primarily from the administration and the military services.

If one examines the military assistance program in detail, it can be discovered that many vital advantages have accrued to the United States through its use. Primarily, it has enabled the allies of the United States to raise and maintain enormous military establishments with which to deter Communist expansion. It has enabled the United States to acquire vital overseas bases. Through the training programs conducted under the auspices of military aid, the United States has been able to indoctrinate thousands of foreign military personnel in matters of strategy, tactics, and political science. The granting of American equipment has created a high state of standardization of Western armaments and technology. Military aid has established military elites in developing countries where often the military is the only segment of the population which is capable of maintaining political order and stability. And, certainly not the last or least advantage, is the fact that military aid has been a vital element in cementing the many mutual defense alliances that the United States has so laboriously created. But

undoubtedly, the most important advantage of military aid is that it has significantly contributed to the containment of Communism. Containment has been accomplished with relatively few limited wars and without a general world war. The only alternative to America's containment policy, with its vast network of world alliances supported by military assistance, would have been a Fortress America strategy which, in the end, could only result in the isolation of the U.S. and the demise of American democracy and independence.

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CHAPTER I

THE BACKGROUND OF MILITARY ASSISTANCE

I. BASIC CONCEPTS

American military assistance is aid which is extended to friendly foreign nations on the principle that the security of the United States is interdependent with the security of the rest of the free world. The rationale for the Military Assistance Program can perhaps be best described by the words of Congress

> . . . that the efforts of the United States and other friendly countries to promote peace and security continue to require measures of support based upon the principle of effective self-help and mutual aid. It is the purpose /of Congress/ to authorize measures in the common defense against internal and external aggression, including the furnishing of military assistance, upon request to friendly countries and international organizations.[1]

Military assistance consists of armaments and the training and related services required by the recipient countries and organizations to enable them to create an effective military force. The goal of an effective military force in the hands of friendly countries is designed not only to withstand aggression from without but also to enable the recipient countries to maintain a viable and stable

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[1] Public Law 87-195 /S. 1983/, Stat. 424, Sec. 502. This act will be hereinafter cited as "The Foreign Assistance Act of 1961."

government and withstand internal rebellion and insurrection. Although there is a connotation of mutuality of assistance between the United States and the recipient countries in case of war, the immediate goal of aid to small and underdeveloped nations is to promote internal stability, whereas the purpose of assistance to larger and more developed nations is to help them create and maintain large and effective military forces which would in fact be of help to the United States in time of war. Consequently, the decision to offer assistance to friendly foreign countries is determined not only by the needs of the recipient countries but by their ability to employ military forces and their ability to pay for them. Therefore, the United States extends military assistance by means of grant or gift, by loan or lease, or by sale. Examples of the two extremes in the manner of extending assistance are the case of South Vietnam and the German Federal Republic. South Vietnam is unable to make any purchases of military equipment from the United States and must rely completely upon grants; whereas, the German Federal Republic receives virtually no grant military assistance and in recent years has made large purchases of military equipment for cash.

In addition to this "hardware" and training assistance, two other kinds of aid are granted by the United States which are closely related to military assistance and have as significant a bearing on American military strategy and foreign policy as does the Military Assistance Program. Supporting Assistance is grant or loan <u>financial</u> aid which

is extended to friendly foreign countries who maintain large military establishments but who are unable to bear the financial cost of their armies. The best example of a country receiving large amounts of Supporting Assistance is the Republic of Korea. Korea today maintains the fourth largest standing army of the world but is able to do so only with the help of Supporting Assistance. In addition, Supporting Assistance is granted to countries which are under pressures which generate economic and political instability. Jordan is an example of such a case. The country suffers not only from economic underdevelopment but is also under continual political pressure brought on by its more developed neighbors. Supporting Assistance enables the country to maintain its independence and viability.

The second kind of aid which complements military assistance is that which is granted from the Contingency Fund. This Fund is appropriated by the Congress to permit the President to grant assistance in case of emergencies which cannot be foreseen or forecast. The President has wide latitude in the use of the Fund and it may be granted for emergencies arising not only because of military or political crises affecting friendly governments but because of natural disasters as well. In the recent past the Fund has been used to avert a financial crisis in Brazil, to aid flood victims in Costa Rica, and to extend extra military

assistance to Laos when that country was threatened by renewed insurgency.[2]

Because of the great sums of money involved in the granting of military assistance, the relatively long time which the United States has been engaged in the Program, and the frustrations generated out of the failure of military assistance to accomplish all the goals which the critics of foreign assistance had anticipated, the Military Assistance Program has been under continual and frequently hostile criticism. On the other hand, the Program has had its staunch and articulate proponents. As a result the arguments concerning military assistance have ranged from advocacy of a massive increase of all forms of assistance to demands that all kinds of aid be eliminated. But, prior to reaching conclusions about the effectiveness of military assistance and its impact on the formulation of American national security policy and foreign policy, it is desirable to review American involvement in military assistance and the genesis of the Military Assistance Program.

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[2]Bureau of the Budget, Proposed Mutual Defense and Development Programs FY 1966; Summary Presentation To The Congress, (Washington: Government Printing Office, March, 1965), p. 200.

II EARLY AMERICAN AID PARTICIPATION

Military assistance has been a feature of warfare and politics since ancient times.[3] It can be defined as any materiel, financial, or personnel help for combat purposes granted by one political entity to another. It assumes a dependence of the grantee on the grantor and implies mutual political and military interests. The sale of war materials for profit purposes only is not military assistance. Furthermore, military assistance implies common goals and collaboration between the grantor and the recipient. Consequently, an example of military assistance was the arming of American Indians by the French during the French and Indian War, wherein the French supplied weapons to the Indians in return for joint, French-directed campaigns against the British. But in later years, rifles sold by Europeans to American Indians who used them against the American settlers in the West was not military assistance because the guns were sold for profit and there was no organized cooperation between the Europeans and the Indians.

Throughout the entire history of the United States, this country has been involved in military assistance, first as a beneficiary and today as the greatest donor in

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[3]For an interesting description of the historical development of foreign assistance, see: George Liska, The New Statecraft: Foreign Aid in American Foreign Policy (Chicago: The University of Chicago Press, 1960), pp. 36-64. Also see: Hans J. Morgenthau, "Preface To A Political Theory of Foreign Aid," Why Foreign Aid?, Robert A. Goldwin, editor (Chicago: Rand McNally & Company, 1962), pp. 70-89.

history. The first aid received by the United States came from France during the Revolutionary War and it consisted of funds, equipment, and personnel. France lent the United States $6.4 million and extended gifts of nearly $2 million.[4] In addition, the French contributed extensive military training assistance under the leadership of Lafayette and deployed units of the French Fleet to American waters. The mission of these French Fleet units was to deny the British Fleet free movement in American waters and they played a decisive role in the American victory at Yorktown.[5]

It is important to note that military assistance has never been granted for altruistic or humanitarian purposes![6] At times emotional propaganda has been generated by states in order to make the granting of aid more palatable to its citizens; but still, aid is granted only when it ultimately

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[4] Benjamin H. Williams, The Economics of National Security: Mutual Security (Washington, D.C.: Industrial College Of The Armed Forces, January, 1961), p. 2.

[5] During the Battle of Yorktown in 1781--which virtually assured American success in the Revolution--nearly half of the American Army consisted of French troops under Lafayette. But the deciding factor in the battle was the French Fleet under Admiral De Grasse who, with his twenty four ships-of-the-line, successfully interdicted in the Chesapeake a force of nineteen British ships under the command of Admiral Sir Samuel Hood, and thus prevented the reinforcement of General Lord Cornwallis' British forces.

[6] There are views offered which hold that the United States should be and is altruistic in its foreign assistance rather than simply selfish. But it can still be argued that the interests of the United States are best served in a world wherein the weaker nations can become economically viable and militarily strong in order to oppose the spread of and resort to Communism.

serves the national interests of the grantor with the corollary that the greater the aid, the more vital is the interest of the grantor. French aid during the Revolution is a good example of this principle. The French were not interested in an American victory per se but rather in a British defeat because it served French interest to prevent British hegemony in the New World.

An interesting and significant observation which can be made about the historical development of military assistance concerns the direction in which the aid flows. Until relatively modern times, the aid generally moved from the weaker nation to the stronger, and in ancient times the aid usually consisted of manpower supplied by weaker states to the stronger power, frequently employed by the stronger state in its own interests rather than in mutual interests. With the rise of mercantilism, manpower was supplemented by financial assistance from the weaker power to the stronger power. Compare this system of military assistance to that existing in the twentieth century. Today, assistance flows from the stronger power to the weaker, and the recipient nation frequently has a great deal of influence in the determination of the composition and employment of the aid. It is also a feature of modern military assistance that the goals tend to be more strategic, longer-lasting, and ideological, whereas in the past its purpose was more limited and directed toward winning specific campaigns, wars, and balance of power objectives. Today, the world is characterized by a proliferation of sovereignties and a continual

power struggle between the Communist and democratic powers with the result that the weak and emerging nations are being courted by the superpowers. Consequently, we witness the anomaly whereby beneficiaries of aid frequently are able to demand assistance whereas during the Revolutionary War the Americans were obliged to entreat the French for sufficient help.

III MODERN AMERICAN MILITARY ASSISTANCE

World War I marked the change of the United States from a debtor to a creditor nation in international balance of payments and also marked the time when the United States became a grantor of military assistance. Even prior to American entry into the War the United States was engaged in helping the belligerents. At the beginning of the War the American position was one of neutrality and the United States was theoretically committed to neither side. Yet, in the private sector of the economy and financial community, trade in war materiels and financial arrangements with the belligerents commenced as early as 1914. According to international law, the United States was obliged, as a neutral, to trade with the Central Powers as well as with the Allies; but British seapower effectively prevented the movement of German merchant vessels in the North Atlantic and consequently United States trade was conducted virtually entirely with the Allies. Besides trade in commodities that were essential to the conduct of total war, huge loans were floated by Britain and France in the American private

banking sector. Though these loans did not have the approval of the American government, and were in fact denounced early in the war by Secretary of State William Jennings Bryan, the opportunity for profit and the emotional sympathy of the mass of the American public for the cause of the Allies enabled Great Britain and France to borrow more than $2 billion prior to the United States Declaration of War in 1917.[7] By the end of World War I, the total of loans to our allies amounted to some $10 billion.[8] Although, at the time, it was thought that these loans would be repaid and thus would not constitute real grant military assistance or gifts, most of the borrowing states eventually defaulted on their loans, and in effect the loans became grant assistance. One of the effects of the loan defaults was that it created strong American feelings of dissatisfaction with foreign involvement and it helped to cause the United States to revert to its classic isolationism which continued to the eve of World War II. But by 1940, the United States was no longer as naive in international affairs as it was in 1914, and the Americans became involved on the side of the Allies even before the attack on Pearl Harbor with less concern about the niceties and legalities of neutrality. However, what is more important for the purposes of this study is that the United States did not resort to the fiction of loans but rather initiated Lend-Lease, a euphemism for gift or grant aid.

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[7] Williams, op. cit., p. 3.

[8] Ibid.

IV MILITARY ASSISTANCE IN WORLD WAR II

Direct American support of the Allies during World War II commenced in September 1940 when the United States Government concluded a deal with Great Britain under which the British received fifty old excess American destroyers in return for a ninety-nine year lease for air and naval bases on certain British islands in the Western Hemisphere.[9] In addition, although there was an embargo on loans to belligerents, sales of munitions were made to Great Britain for cash through a private American corporation. On March 11, 1941, the Congress enacted legislation which became known as The Lend-Lease Act. It gave the President wide discretionary power to grant whatever aid he thought necessary to "any country whose defense the President decrees vital to the defense of the United States."[10] Under the provisions of this Act, the United States immediately dispatched extensive assistance to Great Britain, and, when Germany attacked Russia three months later, American aid was also extended to the Soviet Union. After the United States entered the War in December 1941, American military assistance was accelerated, and by the end of the War the total amount of aid extended to the American Allies amounted to $48.5 billion, the bulk of it going to the British Empire ($32 billion),

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[9]René Albrecht-Carrié, A Diplomatic History of Europe Since the Congress of Vienna (New York: Harper & Row, 1958), p. 563.

[10]Ibid., p. 564.

the Soviet Union ($11 billion), and France ($3 billion).[11] Although the supplies were transferred to the Allies as "lend-lease," payment was never expected nor solicited and the assistance became grant or gift aid.[12]

V SUMMARY

American military assistance consists of weapons, training, and related services necessary to create a military force which is donated, leased, or sold by the United States to friendly foreign countries or organizations for the purpose of mutual defense. In addition, the United States extends aid for essentially military purposes by use of financial grants made available through Supporting Assistance and the President's Contingency Fund.

Military assistance has been a feature of United States strategy and foreign policy throughout the history of the country. During the Revolutionary War, France granted decisive aid to the Americans. By World War I, the United

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[11] During the same period, the United States received $7.8 billion in reverse lend-lease. Source: Headquarters, United States Air Force, Information and Guidance on Military Assistance, Ninth Edition (Washington, 1965), p. 2. This unclassified booklet, revised yearly, is an invaluable source of information on military assistance. It is the "bible" of the military services and must be studied in order to obtain a comprehensive understanding of the history, management, legislation, and regulations of military aid. It is also the single best reference for data on the financial figures and materiel granted to recipients.

[12] For a detailed account of American military assistance during World War II, see: William Adams Brown, Jr. and Redvers Opie, American Foreign Assistance (Washington, D.C.: The Brookings Institution, 1953), pp. 15-81.

States became the donor of aid. By the end of World War II, the United States contributed in net over $40 billion in grants to its allies in the war against the Axis Powers.

CHAPTER II

POST WORLD WAR II MILITARY ASSISTANCE PROGRAMS

I THE TRUMAN DOCTRINE

With the end of hostilities in 1945, the American public had grown more cosmopolitan than it was in 1918 and at last came to realize that the United States had no real alternative but to continue its vast involvement in world affairs. Consequently, between 1945 and 1948, the United States granted over $14.5 billion in postwar rehabilitation aid to Europe,[1] and, although it was economic aid rather than military assistance, it did give proof that the United States was committed to the concept of foreign assistance and it did serve as a precursor of new programs which were to follow.

Unfortunately, the United States did not foresee the inevitable confrontation with the Soviet Union nor the consequence of the Cold War. As a manifestation of the American pacifism-pugnacity syndrome, the United States promptly cut off all military assistance to America's European allies at the end of the War. Although cooperation between the United States and the Soviet Union was possible during the War because of common goals, it was at best difficult. But when

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[1] Information and Guidance on Military Assistance, op. cit., p. 3.

American and Soviet interests diverged after the War, it was not long before President Truman realized that cooperation had become impossible. The Soviet Union, still exhibiting the imperialism of old Russia and abetted by Marxist ideology, exploited the postwar power vacuum in Europe and began its campaign of expansion and subversion westward into Europe.[2] Only the British were aware of the dangers of Soviet moves, but the ravages of the war left Great Britain financially weak and militarily powerless against Soviet strength. The British had attempted to maintain a position in Greece but, in February 1947, announced to the United States that they could no longer give economic or military assistance to Greece or Turkey.[3] Although the British did not maintain any troops in Turkey, they had had forces in Greece since 1944 when the Germans were driven from the country. Following the complete Axis collapse in 1945, the Greek Communists started a guerrilla war for the control of the country and they were actively aided by the Communist regimes of the bordering states. The British aided the Greek Government in its war against the Communists, but with the British announcement that they were no longer able to continue the help, it became apparent that the Communists had an excellent chance of winning the guerrilla campaign. President Truman

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[2]For a recent view of Soviet policies in Europe in the postwar era see: Marshall D. Shulman, Stalin's Foreign Policy Reappraised (Cambridge: Harvard University Press, 1963).

[3]Brown and Opie, op. cit., p. 89.

immediately realized the plight of the Greeks and the implications of Soviet presence on the Mediterranean Sea. Consequently, on March 12, 1947, he sent a message to Congress requesting funds for the aid of Greece and Turkey. In his speech to Congress, President Truman said that it should be the policy of the United States "to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressures . . . /and to/ assist free peoples to work out their own destinies in their own way."[4] Congressional response was prompt. Legislation was enacted to give the President power to extend substantial assistance to Greece and also to Turkey, which was under heavy Soviet political and propaganda pressure. This program of assistance and its rationale became known as the Truman Doctrine, and for the first time the United States granted military assistance for the express purpose of countering Communist aggression. During the course of the program, which lasted three years, over $654 million was spent in Greek-Turkish aid with the result that the Greeks were able to defeat the Communist guerrillas, and the Turks were able to develop a viable economy and counter Soviet and local Communist subversion.[5] The Greek-Turkish Aid Program became one of the great American military assistance program successes, and it is frequently cited as an example of what

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[4] Ibid., p. 124.

[5] Information and Guidance on Military Assistance, op. cit., p. 3.

military assistance can accomplish if it is applied with alacrity, sufficiency, and wisdom.

II CHINA AID ACT

Following the capitulation of the Japanese in 1945, the United States continued its assistance to the Chinese Nationalist Government under the provisions of the Lend-Lease Act for the purpose of helping the Chinese evacuate the Japanese troops and liberate the country. The amount of aid extended during the immediate postwar period was $335 million, of which about half was military assistance.[6] Thereafter, American policy toward China lacked decisiveness and direction, with the result that the United States contributed in some degree to China becoming a Communist state. This in turn, brought the entire foreign aid program under a great deal of criticism.

The American policy goal toward China was ostensibly designed to create a free, stable, unified, and economically viable China. Yet the United States failed to support the Nationalist Government to the extent required to realize the goal. Although the entire period of postwar Chinese-American relations is one of the most controversial episodes of modern American diplomacy, it is possible to enumerate several factors which tended to defeat United States policy toward China and which have had a bearing on the role of military assistance as a tool of foreign policy.

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[6] Brown and Opie, op. cit., p. 319.

1. It was widely recognized that the government of the Nationalist regime was inefficient and corrupt by American standards, and United States promises of aid to the Nationalist Government were made contingent on the Government's promise to initiate political and economic reforms. Because of the inability and disinclination of the Nationalists to make constructive changes in their administration, the United States withheld the aid required by the Nationalists which was necessary in order for them to establish their authority throughout China. It was a classic case of an American foreign policy formulated to reach an unattainable goal and further indicated the American propensity for trying to export American standards of political morality.

2. The really decisive situation in China was the militancy of the Communists. American policy makers failed to evaluate properly the Communists' real objective which was to capture the entire country and establish a Communist regime throughout China. United States policy was directed toward fostering a coalition government composed of the Nationalists and the Communists. In order to force this misalliance, the United States withheld effective military aid to the Nationalists, and, by the time the United States did act, the Communists were too strong and were able to drive the Nationalists from the mainland.

3. Certain members of Congress were reluctant to support a program for China which would have been as comprehensive and effective as the Greek-Turkish Aid Program. They failed to realize the seriousness and imminence of a

Communist take-over and considered that extensive aid to the Nationalists was a waste of money.

It was not until passage of the China Aid Program of April 1948 that the United States granted military assistance to the Chinese Nationalists. During the intervening years since 1945, extensive American aid was granted, but it was economic and humanitarian relief granted in the hope of establishing a stable Chinese government. However, the political stability of China was dependent upon the relative military strength of the Nationalists vis-á-vis the Communists. Because of American failure to support and expand the Nationalist Army, the Nationalists were unable to gain a dominant military position over the Communists and this failure ultimately led to the establishment of a Communist regime in China. The China Aid Act of 1948 did grant some $463 million to the Nationalist Government,[7] but it was too little and too late.

The Chinese debacle is frequently cited by critics of military assistance and foreign aid as an example of the futility and waste in aid programs. True, there are valid reasons for believing that it was impossible to save the Nationalist Government with any help short of massive American military involvement; yet, the fact remains that the United States did not attempt everything short of American involvement. Amos A. Jordan, Jr., an astute observer of the

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[7] Information and Guidance on Military Assistance, loc. cit.

Far East and an authority on American aid programs, summarized the entire policy:

> United States military assistance was never extended to the Nationalists for the express purpose of defeating the Communists. . . . Unwilling to make the kind of drain on the emaciated, postwar, United States forces which a broad military program would have entailed, and loath to risk American embroilment in the 'fraticidal war,' we never extended the degree of supervision, instruction, and advice required by the situation.
>
> Possibly no amount of military aid after World War II short of massive troop intervention could have prevented the ultimate triumph of the Communists in China. Be that as it may, the tool of military aid was never given a real chance to succeed.[8]

III PHILIPPINE AID

In preparation for granting independence to the Philippines, which occurred on July 4, 1946, the United States undertook to extend both economic and military assistance to the Islands. The Philippine Military Assistance Act was approved on June 26, 1946. The Act was designed to enable the new Republic to rebuild its army, which was largely destroyed during the war, in order to replace the contingents of American troops which had been stationed in the Philippines since the turn of the century. One feature of the Act required the Philippine Government to agree to allow the United States to receive a ninety-nine year lease on fifteen military bases in the Islands for

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[8]Amos A. Jordan, Jr., "Military Assistance and National Policy," Orbis, Vol. II, No. 2 (Summer, 1958), pp. 239-240.

mutual protection and maintenance of the peace in the Pacific.[9] This concept of mutual assistance eventually became an integral part of all subsequent regional alliances, bilateral military treaties, and military assistance agreements. The amount of aid granted under the Philippine Military Assistance Act amounted to $19.8 million.[10]

Yet, the assistance rendered to the Philippines under programs of war rehabilitation, economic aid, and the Philippine Military Assistance Act of 1946 failed to enable the new nation to establish a democratic and stable government. By 1950 the United States had poured nearly $2.0 billion into the country.[11] Still, the Government was under grave threat of collapse because of a guerrilla war which was being carried on against the Government by the Communist Hukbalahap (HUKS). Consequently, in 1950 the United States extended another $250 million in grants and credits to be expended over a five year program.

These funds, essentially Supporting Assistance, were spent largely for military equipment and military operating costs, and together with the dynamic military and political leadership of Defense Minister Ramon Magsaysay, enabled the Government to defeat the Communist rebellion. One of the

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[9]Charles Wolf, Jr., Foreign Aid: Theory and Practice in Southern Asia (Princeton, New Jersey: Princeton University Press, 1960), p. 22.

[10]Ibid., p. 23.

[11]Information and Guidance on Military Assistance, op. cit., p. 3.

most interesting aspects of the aid to the Philippines, which resulted in the creation of an effective antiguerrilla army, was the new military and political strategy initiated by Magsaysay. His program involved the military tactic of seeking out and destroying the HUKS, infiltrating their ranks with loyal troops, and extending amnesty and assistance to HUK members who would defect. In addition, he started an aggressive anti-Communist psychological warfare campaign against the guerrillas which eventually separated the guerrillas from the people. Magsaysay established land reform, eliminated many of the political abuses which alienated the people against the Government, and opened new virgin lands for resettlement of peasants and rehabilitated HUKS. His program also made use of the army in nonmilitary tasks for purposes of civil construction, resettlement of the peasants, and rehabilitation of the country's war ravages. In short, Magsaysay developed the first Civic Action program which made use of American military assistance. The success of the Magsaysay effort served to demonstrate the value of Civic Action and has led to great emphasis on Civic Action throughout the world.[12]

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[12]For a detailed review of the Civic Action program in the Philippines, see: Harry F. Walterhouse, A Time To Build (Columbia, South Carolina: University of South Carolina Press, 1964), pp. 83-90.

IV AID TO IRAN

During World War II, both the United States and the Soviet Union deployed military contingents in Iran. The mission of these troops was to maintain and operate the routes over which the enormous American Lend-Lease shipments to the Soviet Union were transferred. At the end of the War, the Soviets were in occupation of the northern part of Iran, and the Americans were in the southern area of the country. In accordance with the Declaration of Teheran, which announced a policy of independence for Iran, the United States withdrew its troops promptly following the end of the war in Europe. But the Soviets were not as cooperative. As a result, the Iranian Government, on January 19, 1946, petitioned the Security Council of the United Nations to insure the withdrawal of the Soviet troops because they were interferring in the internal affairs of Iran. Although the Soviets attempted, by means of parliamentary maneuvers, to circumvent the Security Council's recommendation to withdraw, eventually they did so, and in early May 1946, Iran reported to the Security Council that the Soviet units had departed the country. However, the Soviets did not cease applying political pressures on Iran for political and mineral concessions. Consequently, the United States embarked, in June 1947, on a policy to assist the Iranian Government maintain its internal security and order which was being undermined by Soviet subversion. To support this policy, the United States made a commitment to extend credits to Iran in order that

American military supplies could be purchased. The equipment which was obtained by Iran consisted of light armaments, useful only for internal security purposes. By August 1949, some $26.5 million worth of materiel was sent to Iran for which that government paid $5.2 million.[13] This equipment, and the help of a small American military mission numbering twenty-six officers and men, enabled Iran to establish an effective police organization which was able to establish order within the country and check Soviet subversion.

V SUMMARY

The Greek-Turkish Aid Program of 1947, The China Aid Act of 1948, the Philippine Military Assistance Act of 1946 and its subsequent Supporting Assistance Program of 1950, and the Iranian aid policy of 1947, were all essentially ad hoc, stop-gap programs designed to help former wartime allies re-establish stable and independent governments. Of the four, the Philippine, the Greek-Turkish, and the Iranian programs became notable successes. Greece and the Philippines were eventually able to destroy the Communist guerrillas, and the Turks and Iranians were able to maintain their integrity and independence from Soviet influence.

The China program can only be described as a debacle. It served to demonstrate that only with an adequate military assistance program, a comprehensive American strategic and foreign policy, and a determined beneficiary government, can

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[13] Brown and Opie, op. cit., p. 445.

Communist subversion and infiltration be defeated. But some lessons were learned by the United States as a result of these programs, and they led to the far more effective containment policy and alliance system of mutual security.

During the period following World War II, Korea also received extensive American assistance, but the Korean program will be discussed in Chapter IV.

CHAPTER III

MULTILATERAL DEFENSE ALLIANCES

I THE RIO PACT

The first multilateral military alliance which the United States entered, following World War II, was the Inter-American Treaty of Reciprocal Assistance which became known as the Rio Pact.[1] This treaty was offered for signature on September 2, 1947, at Rio de Janeiro and entered into force for the United States on December 3, 1948--thus preceding the Charter of the Organization of American States. The formula for mutual assistance was contained in the concept that an attack on one of the signatory states would be considered as an attack on all of the states. This same concept was later to be incorporated into the North Atlantic Treaty.

The Rio Pact is more important politically than militarily, and this fact is shown by the relatively small amounts of military aid which have been extended to the Latin American States. In the years from 1948 to 1959, military assistance sent to Latin America amounted to but $235 million, and the total between the years from the

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[1]For full text see: United States Congress, House, Committee on Foreign Relations, Treaty Provisions Relating To The Use Of United States Forces For Mutual Defense, 84th Congress, 2nd Session (Washington: Government Printing Office, December 27, 1956), p. 12.

signing of the Rio Pact through fiscal year 1964 reached but $660 million.[2] The significance of these figures can be seen when compared to a total of over $31.7 billion in military assistance granted by the United States in all regions of the world since 1948.[3] The military aid to Latin America has constituted less than 2 per cent of all forms of American military assistance.

The amount of military aid to Latin America has been small because of four basic reasons. In the first place, Latin America has been relatively free from Communist aggression and subversion in comparison with other parts of the world, notably the Far East and Eastern Europe. Consequently, the need for large military forces in South America has not existed, and concomitantly, the requirement for military aid has been small. Secondly, there is a great reluctance on the part of Congress to appropriate large sums for Latin American countries for fear that large Latin military establishments may lead to conflicts between some of the Latin States which still harbor old animosities against each other. Thirdly, many members of Congress have expressed great concern about the lack of really free democratic governments in Latin America and are highly critical of the military dictatorships which are so common in Latin America.

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[2]Source: Bureau of the Budget, Proposed Mutual Defense and Development Programs FY 1966: Summary Presentation to the Congress (Washington, D.C.: U.S. Government Printing Office, March 1965), p. 223.

[3]Ibid.

In the view of Congress, large military organizations would only lead to greater power in the hands of Latin militarists and hinder the evolution of really democratic governments.[4] This anxiety of the Congress is demonstrated by the inclusion of Sec 511 (a) of the Foreign Assistance Act which sets a statutory limit of $55 million in military aid which may be granted to all of the Latin American states in any fiscal year. And finally, because prestige and pride is such a thoroughly ingrained characteristic of the Latin personality, American policy makers have been hesitant to help any Latin country create any military force which is significantly larger than those of neighboring states of similar size for fear of starting an arms race and creating prestige or showpiece armies, navies, and air forces.

In view of the above, does it therefore follow that any American military assistance to Latin America is ineffective and wasteful? The answer is no--and for several reasons. Latin American military forces are becoming more effective each year and are therefore more valuable for

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[4] For a detailed account of the history of militarism in Latin America, see: Edwin Lieuwen, Arms And Politics In Latin America (second edition; New York: Frederick A. Praeger, 1961). A shorter and more recent work on the same topic is: Edwin Lieuwen, Generals VS. Presidents (New York: Frederick A. Praeger, 1964).

meaningful mutual defense assistance employment.[5] This is particularly true of Latin navies which are developing into forces designed to meet wartime commitments that the Latin states are likely to encounter in the future. Today, these navies are stressing oceanography, coastal patrol tactics, and antisubmarine warfare. With but several exceptions,

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[5] It appears to be the view of most Latin American authorities that the Latin military services have no real capability in mutual defense employment. As an example, Peter Nehemkis categorically states that Latin services are useless for such a purpose: "Latin America's armies, navies, and air forces have no role to play in the defense of the Western Hemisphere against thermonuclear attack. . . . The only legitimate mission of Latin America's armed forces is internal security." Edwin Lieuwin, in his two previously cited works, generally holds the same view. But there are contrary opinions offered. J. Lloyd Mecham argues that the military services of the major Latin states have the capability to ". . . maintain order and prevent subversive activities, defend vital military and economic installations, provide sea and air submarine patrols, keep communications open, and produce . . . components of economic defense. . . . Latin America's assuming of these continental military responsibilities would free United States troops for service /elsewhere/." In his conclusion, Mecham names Lieuwin and rejects his contention that collective defense in Latin America has little practical application.

In addition to the views held by the above authorities, this researcher has obtained some information on this subject from several American military officers who have been associated with Latin military services during the past several years as members of military missions and participants in combined exercises. It has been the consensus of these officers that the military services of the major Latin states are improving their military capabilities and could provide a limited, but valuable, mutual defense contribution. This is particularly true of the major Latin navies. Sources: Lieuwin, Arms and Politics In Latin America, Ibid., p. 214; Peter Nehemkis, Latin America (New York: Alfred A. Knopf, 1964), p. 147; J. Lloyd Mecham, The United States and Inter-American Security, 1889-1960 (Austin, Texas: University of Texas Press, 1961), p. 334.

Latin America's capital ships are obsolete and there has been little interest in replacing the several aging cruisers. As additions and replacements are made to these navies, the emphasis is being placed on acquiring destroyer-type vessels which are the backbone of antisubmarine warfare forces. These destroyer navies, enhanced by modern American naval equipment, American training, and joint Latin-United States training exercises, are becoming a significant force which can be effectively employed against the most dangerous external military threat to Latin America-Soviet submarines.

There are additional advantages accruing to the United States as a result of military assistance to Latin America--such as improved internal defense capabilities, increased communication between members of the Rio Pact, better understanding of global strategy, development of civic action projects by Latin armies--but these will be treated in more detail in the subsequent chapters dealing with the evaluation of military assistance and its effect on national security planning and foreign policy.

II THE NORTH ATLANTIC TREATY ORGANIZATION

With the defeat of the Axis Powers in 1945 there was born, throughout most of the world, a hope for universal peace, stability, and justice. But the immediate elation of victory, with its anticipated rewards, was soon to be tempered by a gnawing suspicion that the hopes were premature. The forced camaraderie and cooperation which existed between

the democracies and the Soviet Union during the war was soon strained by the intransigeance of the Soviets in the late months of 1945. The antagonism and distrust between East and West grew in an ever-increasing wave. The hopes and plans for free elections in eastern Europe were destroyed by the occupation and might of the Red Army which soon established puppet regimes in the eastern European states. Other examples of Soviet belligerence quickly became apparent: Soviet attempts to subvert Iran, support of the Greek guerrillas, pressures brought to bear on Turkey for concessions in the Straits, and refusal to carry out the spirit of the wartime agreements to permit the peoples of Europe to choose their own forms of government. These Soviet actions culminated in the Czechoslovakian coup of February 1948, which resulted in the establishment of a Communist government, replacing one that has been described as "a compromise between Eastern socialism and Western democracy."[6] This particular case of Soviet imperialism served as the catalyst for the signing of the Western Union Defense Organization which occurred on March 17, 1948. This treaty declared that in the event of an armed attack in Europe against one of the parties, the others would give all the assistance in their power.[7] The treaty became known as the Brussels Pact and

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[6]F. Lee Benns and Mary Elisabeth Seldon, Europe: 1939 to the Present (New York: Meredith Publishing Company, 1965), p. 226.

[7]Donovan Paul Yeull, Jr., "United States Military Aid," (unpublished Master's thesis, Georgetown University, Washington, D.C., 1955), p. 80.

was signed by Belgium, France, Luxembourg, the Netherlands, and the United Kingdom. The significance of the Czech coup was not only that it marked the fall of that country into the Soviet orbit, or that it can be considered to indicate the start of the Cold War, but that it led to the formation of the North Atlantic Treaty Organization as a successor of the Western Union Defense Organization.

It was immediately apparent to the Western European powers that they would be unable to muster forces which would be adequate to protect themselves against a conventional attack from the Soviet Union. Nor could their military forces serve as a credible deterrent against continued Soviet attempts at subversion in countries still outside the Soviet orbit. Help would have to be obtained from the United States, and France became the first nation to request American assistance. In September 1948 the President authorized transfer of some military supplies to the French in order that they could reinforce their three divisions which were on occupation duty in Germany. Yet, ad hoc military support of the several member nations of the Western Union Defense Organization was not an efficient solution to the problem of arming Europe for its own defense. Therefore, it became necessary that the United States formally join in an arrangement designed for collective security. On April 4, 1949, the North Atlantic Treaty was signed in Washington by the members of the Western Union

Defense Organization and the United States, Italy, Portugal, Norway, Denmark, Iceland, and Canada.[8]

There are three significant aspects of the North Atlantic Treaty which are germane to this study. First is the concept of mutual security whereby an attack on one of the member states within the European and North Atlantic area[9] would be considered as attack against all of the members. Such an attack would create an obligation on every member to assist the aggrieved state with all its military power. Secondly, the Treaty led to an elaborate organization which became known as the North Atlantic Treaty Organization, or NATO. One of the organs which was developed was the combined operational military command--Allied Command Europe--which included forces from all the member states except Iceland, which has no military services. This command is the major military deterrent of NATO against aggression in Europe.[10] Thirdly, the North Atlantic

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[8]Subsequently, Greece, Turkey, and the German Federal Republic became members. For full text of the treaty see: United States Congress, House, Committee on Foreign Relations, Treaty Provisions Relating To The Use of United States Forces For Mutual Defense, 84th. Congress, 2nd. Session (Washington: Government Printing Office, March 27, 1956), p. 17.

[9]The Treaty did not obligate the members to come to the assistance of another member who had incurred military obligations outside the North Atlantic area. Consequently, NATO members were not obliged to come to the assistance of the United States during the Korean War as a consequence of NATO membership. All operations of NATO members in Korea were the result of obligations due under United Nations auspices.

[10]For a brief, but detailed, account of the evolution of NATO, see: Political and Economic Planning (PEP), European Organizations (London: George Allen and Unwin, Ltd., 1959), pp. 161-206.

Treaty committed the United States to extend military assistance to both the NATO infrastructure and the member nations. As a result of this obligation, the United States embarked on its enormous and comprehensive Military Assistance Program.

Shortly after the signing of the North Atlantic Treaty, the President announced to Congress that he would request funds in order to carry out the military assistance obligations incurred by the Treaty. The President called for three kinds of aid: (1) machinery and materials to permit Europe to increase its own production of military items without seriously interfering with economic recovery; (2) direct transfer of military equipment; and (3) expert help in the production and use of military equipment and the training of personnel.[11] As a result of this Presidential request, the Congress enacted, on October 6, 1949, the Mutual Defense Assistance Act. This Act gave the President the authority to initiate aid programs to NATO members and the NATO infrastructure, and it was the first legislation which consolidated the various ad hoc military assistance programs which were already in existence. It provided the basic rationale for all the world-wide mutual security and military assistance programs which exist to this day.

During the first year of operation, 1950, the United States extended military grants in the amount of $217 million

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[11] *Information and Guidance on Military Assistance*, *op. cit.*, p. 5.

to NATO member countries.[12] In 1951, the dollar figure of military assistance rose to $800 million, followed by $2.0 billion in 1952. By 1953, the total reached $2.8 billion.[13] These figures reflected the dynamic growth of NATO military power. It also indicated the sharp rise in the Western bloc rearmament program which was occasioned by the Communist aggression in Korea and by Soviet and Chinese belligerence and intransigence in general throughout the world.

Since 1953, the amount of military assistance to Europe has continually decreased until during calender year 1964 only $600 million in military aid was programmed for NATO use.

This trend of decreasing military assistance to Europe has two important implications. It shows how military assistance can and does act as a catalyst in the creation of effective military forces. Also, it indicates that military assistance need not be perpetual. Partly as a result of American aid, Europe has been able to build its

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[12] Williams, op. cit., p. 12.

[13] Bureau of Budget, Proposed Mutual Defense and Development Programs FY 1966, op. cit., p. 196.

own respectable military establishments,[14] and the United States has been able to direct its attention to other more critical areas of the world.

Furthermore, the trend indicates that Communist pressures will be diverted when firmly opposed. As a result of the enormous growth of NATO strength, the Communist powers were forced to look elsewhere to implement their expansion policies. The result was Communist aggression in the Far East.

III ANZUS, SEATO, AND CENTO

In addition to NATO, the United States is a member of two other mutual security alliances. In San Francisco on September 1, 1951,[15] the United States, Australia, and New Zealand signed a mutual security pact which has become known as the ANZUS Treaty. It entered into force for the United States on April 29, 1952. Although the Pact is ostensibly a mutual defense agreement, in essence it is an American agreement to guarantee the integrity of both Australia and New

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[14] Even during 1953, when American aid reached its high point of $2.8 billion, the total defense expenditure for defense purposes of all NATO countries was $11.4 billion. Thus the United States contributed something more than 24 per cent of the total NATO costs. By 1964, the total expenditure for defense purposes of all NATO members had reached $19.7 billion and the American contribution of $600 million constituted but 3 per cent of this amount. Source: Bureau of Budget, Proposed Mutual Defense and Development Programs FY 1966, p. 196.

[15] For the full text, see: United States Congress, Treaty Provisions, op. cit., p. 22.

Zealand. Because there has been no overt aggression directed against either Australia or New Zealand and because of the relatively high national wealth of both countries, the United States has been obliged to extend a minimum of military assistance to either of the other two members. The cumulative amount extended to both countries to date is $109.4 million.[16] The cooperation which has resulted from the treaty has been primarily of an administrative and consultative nature, although through the years a number of joint naval and air exercises have been conducted by the member states.

The importance of ANZUS for the United States lies in the fact that by the pact, the United States has gained two staunch political allies in an area of the world that is greatly dominated by China and the populous "neutralist" nations of India and Indonesia. The pact enables the United States to maintain a presence in an area which, because of the political instability of Indonesia, could become the tinder box of Oceanic Asia.

The other mutual security treaty which the United States has joined is the Southeast Asia Collective Defense Treaty, or SEATO. The pact was signed at Manila on September 8, 1954, and entered into force for the United States on

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[16] Bureau of the Budget, Proposed Mutual Defense and Development Programs FY 1966, op. cit., p. 228.

February 8, 1955.[17] By its provisions, the United States has agreed to come to the assistance of any of the member states in the event of an armed attack initiated by Communist forces.[18] Military assistance granted to member nations, as members of SEATO, has been limited to Pakistan, Thailand, and Philippines. Thus far the Philippines has received $312.4 million and protocol member Cambodia received $89.7 million[19] in military aid through fiscal year 1964.[20] Military aid figures for the other SEATO members are still classified.

In addition to the above alliances, the United States, although not a formal member, maintains a consultative and associate relationship with the Baghdad Pact. This agreement, also known as the Central Treaty or CENTO, was signed at

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[17] Member states are: Australia, France, New Zealand, Pakistan, Philippines, Thailand, United Kingdom, and United States. For the full text of the treaty, see: United States Congress, Treaty Provisions, op. cit., p. 26.

[18] In a protocol, signed on the same day as the treaty, the states of Cambodia and Laos, and the free territory under the jurisdiction of the State of Vietnam, are considered to be areas protected from Communist aggression in the same manner as the territory of the member states. Ibid., p. 28.

[19] Bureau of the Budget, Proposed Mutual Defense and Development Programs FY 1966, op. cit., pp. 226-228.

[20] In November 1963, Cambodia announced it would no longer accept any American aid and thus far aid has not been resumed. In May 1965, Cambodia broke diplomatic relations with the United States. Source: Norman D. Palmer, "The Challenge for Aid in Asia," Current History, Vol. 51, No. 299, (July, 1966), p. 11.

London on July 28, 1958.[21] The United States has not extended military assistance to CENTO members as such, but has granted aid to member nations under other treaty commitments or on an ad hoc basis. Military assistance, since 1948, granted to states which are members of CENTO are as follows: Iran, $677.3 million; Turkey, $2,330.6 million; United Kingdom, $1,034.8 million.[22] The figure for Pakistan is still classified.

IV SUMMARY

In order to forge an effective political and military alliance to contain Communist expansion and subversion, the United States created several multilateral mutual defense treaties. The first to be concluded was the Inter-American Treaty of Reciprocal Assistance, known as the Rio Pact. It entered into force on December 3, 1948. Military aid granted to Latin countries has been relatively small because of the absence of serious threats of aggression and subversion in the member states.

On March 17, 1948, Belgium, France, Luxembourg, the Netherlands, and the United Kingdom formed the Western Union Defense Organization (known as the Brussels Pact) in

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[21] Member states of CENTO are Iran, Pakistan, Turkey, and the United Kingdom. Iraq, an original member has since withdrawn from the Pact.

[22] Source: Bureau of the Budget, Proposed Mutual Defense and Development Programs FY 1966, op. cit., pp. 226-228.

order to counter the increasing Soviet military strength and political pressures. Because it was apparent to the members of the Brussels Pact that they were unable to create a credible military deterrent against the Soviet Union, and because of the impact of the Czechoslovakian coup d'etat, the United States was requested to join the Organization. As a consequence, a new arrangement was formed and the North Atlantic Treaty was signed on April 4, 1949. The Treaty created the North Atlantic Treaty Organization, or NATO, and membership was expanded to include several other states: Italy, Portugal, Norway, Denmark, Iceland, and Canada. During the early years of NATO, the United States extended vast amounts of military assistance to the Organization and the member states. But, as Europe grew more economically self-sufficient, American aid decreased until today it is minimal.

The United States maintains membership in two other multilateral mutual defense alliances, ANZUS and SEATO. In the ANZUS Treaty, the United States joined Australia and New Zealand on September 1, 1951, in originating a mutual defense pact for the Oceania area. Because of the relative wealth of these two states, and the absence of direct threats of Communist aggression, military assistance to these two states has been small.

On September 8, 1954, the United States combined with Australia, France, New Zealand, Pakistan, the Philippines, Thailand, and the United Kingdom to form the Southeast Asia Collective Defense Treaty, or SEATO. The members of this

organization have received considerable amounts of military assistance, but the exact figures are still classified.

Although not a member of the Baghdad Pact, which was formed on February 24, 1955, the United States maintains an associate relationship with the organization. Iraq, an original member, has since withdrawn from the Pact, but present members and associates include Turkey, Iran, Pakistan, and the United Kingdom. The United States has extended considerable military assistance to these several states.

CHAPTER IV

BILATERAL DEFENSE ALLIANCES

In addition to the previously described multilateral mutual defense alliances, the United States has concluded several bilateral mutual defense agreements with states whose independence and freedom are vital to American interests.

I THE PHILIPPINES

On August 30, 1951, there was signed, in Washington, the Mutual Defense Treaty Between The United States Of America And The Republic Of The Philippines.[1] The agreement requires that in event of an armed attack in the Pacific, the two countries will act together to meet the common threat. Furthermore, both states are under obligation to develop, separately and jointly, their individual and collective capacity to resist armed aggression. Consequently, the United States has entered a formal pact which obligates it to extend military assistance to the Philippines. It has been pointed out previously that the total amount of American military assistance to the Philippines has been $312.4

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[1] For the full text, see: United States Congress, Treaty Provisions, op. cit., p. 24.

million, and in fiscal 1964 the country will receive $10.7 million in arms aid from the United States.[2]

II JAPAN

In San Francisco, on September 8, 1951, the Security Treaty Between the United States of America and Japan was signed, and it entered into force on April 28, 1952.[3] By the terms of the treaty, the United States is granted the right to dispose military forces in and around Japan for mutual security of the two states and the internal security of Japan. In the event of hostilities around the area of Japan, both countries are obligated to consult with each other to determine the courses of action best suited to counter the threatened or overt actions of any third parties. The treaty further contemplates that in the future Japan would be able to develop its own security forces and, in order to assist in this endeavor, the United States has contributed extensive military assistance.[4] During fiscal year 1964, military assistance to Japan amounted to $53.4 million, and since the start of the program the total has been $882.4 million.[5]

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[2] Bureau of Budget, op. cit., p. 227.

[3] For the full text of the treaty, see: United States Congress, Treaty Provisions, op. cit., p. 21.

[4] For an informative article on the subject, see: Lieutenant General Masatake Okumiya, "Japan's Self-Defense Forces," United States Naval Institute Proceedings, Vol. 91, No. 12 (December, 1965), pp. 26-35.

[5] Bureau of the Budget, op. cit., p. 227.

III THE REPUBLIC OF KOREA

Following the defeat of Japan in 1945, the United States and the Soviet Union occupied Korea for the purpose of repatriating the Japanese military and civilian personnel. It was agreed between the two countries that the dividing line for the administration of Japanese repatriation would be the thirty-eighth parallel, with the Soviet Army working north of the parallel and the United States Army to the south. But, the Soviets followed the same policy as they did with conquered states in Europe. They used their military power to establish a Communist regime in their zone of Korea, and they created a large, well-equipped, Soviet Korean army.

This Soviet policy was contrary to the Potsdam Declaration wherein the Allies agreed that Korea should be free and independent.[6] The United States attempted to negotiate with the Soviets for free Korean elections to be followed by withdrawal of American and Soviet troops and unification of the country. But no agreement could be reached. Thereafter, a United Nations commission attempted to mediate the negotiations and supervise nation-wide elections but the Soviets prohibited the commission from entering Soviet-occupied Korea. Consequently, elections were held only in southern Korea in May 1948. As a result, an independent Republic of Korea was established south of the thirty-eighth parallel,

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[6] Brown and Opie, op. cit., p. 372.

and the new state was recognized by the United States in January 1949.[7] Thereafter, the partition of Korea became a permanent fact.

From 1945, the United States granted extensive economic assistance to Korea to help the country build a viable economy and government. In addition, during the years between 1945 and 1948, the United States stationed troops in southern Korea to maintain internal order. At the same time, the South Koreans were provided some small military arms in order to help them form a civilian police force and militia. Following American recognition of the Republic of Korea, the United States began to remove its troops from the country, and, except for a small military advisory group, American troop evacuation was completed by June 1949.

Because it was known that the Soviet Union had equipped an army of 125,000 men in North Korea,[8] it was apparent that the Republic of Korea would have to enlarge its militia and create an effective army for external defense when American troops departed. Therefore, under the terms of the Mutual Defense Assistance Act of 1949, the Republic of Korea was allotted $27.6 million,[9] in military assistance, not a large figure in comparison with $654 million granted in Greek-Turkish aid. But, none of the

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[7] Ibid.

[8] Ibid., p. 380.

[9] Ibid.

military supplies scheduled for Korean delivery was received prior to the invasion of South Korea by the North Koreans on June 25, 1950.

The story of the Korean War is beyond the scope of this study, yet, there is one aspect of it which is particularly appropriate. It is the lesson which should be obvious. It concerns the timeliness of military assistance. Had the United States invested as much in military aid to South Korea as it did in the Greek-Turkish Aid Program, it is not unreasonable to conclude that the North Koreans and Chinese might have been deterred from starting and participating in the War. It is true that one of the Communist aims was to test the will of the United States, but it is also true that the Communists expected that North Korea could win a quick and easy victory. Had the United States been as industrious in equipping a South Korean army as had the Russians been in arming North Korea, the War may have been averted and over 137,000 American casualties prevented.

Although the United States failed to avert the Korean conflict, it did take action after the July 1953 armistice to indicate that the United States would stand committed to defend Korea in the future. On October 1, 1953, the Mutual Defense Treaty Between The United States Of America And The Republic Of Korea was signed in Washington, and it entered into force on November 17, 1954.[10]

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[10]Congress, Treaty Provisions, op. cit., p. 25.

The Treaty obligates both states to act together to oppose external aggression against any territory under the administration of either state in the Pacific area. Under the terms of the Treaty, the United States received rights to deploy American forces in and about South Korea, and in return the United States would take actions to deter external aggression against Korea. Among other obligations, tacitly incurred, was the requirement to extend continuing economic aid, military assistance, and Supporting Assistance. In 1964, the United States granted some $76 million in Supporting Assistance. The yearly amount of this quasi-military aid has continually decreased from a high of $320 million in 1956.[11] This decrease reflects the improving economy of the Republic of Korea which allows the Koreans to shoulder a greater part of their own defense burden. In fiscal 1964, military assistance to Korea amounted to $124.4 million, and the total granted to that country since 1948 is $2,135 million.[12]

IV THE REPUBLIC OF CHINA

After the Chinese Nationalists retired from the Asiatic mainland in 1949, the credits and equipment

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[11] Bureau of the Budget, op. cit., p. 199.

[12] Ibid., p. 227. This figure does not include the costs of the Korean War. During that conflict all military costs in Korea were borne by Department of Defense appropriations rather than by foreign aid legislation. Harold A. Hovey, United States Military Assistance (New York: Frederick A. Praeger, 1965), p. 24.

scheduled for military assistance under the China Aid Act of 1948 were extended to the Nationalists on Formosa. These supplies were exhausted by January 1950.[13] Thereafter, because United States policy makers considered the Nationalists safe from further Chinese Communist attack, no more funds were immediately appropriated for Nationalist military aid.

But with the outbreak of the Korean War in June 1950, the strategic position and defense of Formosa was reevaluated. In August of 1950, a military investigatory mission was dispatched to Formosa to determine the adequacy of the Formosan defenses. As a result of the mission's report, a United States military advisory group was sent to the island in May 1951.[14] Thereafter, the United States embarked on a comprehensive and determined program to build an adequate and effective Chinese Nationalist military establishment. Between May 1951 and October 1960, the United States contributed nearly $2 billion in military assistance to Formosa.[15]

As a result of the increasing United States commitment to the Chinese, and in order to more clearly define American policy, the United States negotiated a mutual defense pact with the Nationalist Government. On December 2,

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[13] Brown and Opie, op. cit., p. 348.

[14] Ibid., p. 349.

[15] John D. Montgomery, The Politics of Foreign Aid, (New York: Frederick A. Praeger, 1962), p. 26.

1954, the Mutual Defense Treaty Between The United States Of America And The Republic Of China was signed in Washington.[16] The treaty, which entered into force on March 3, 1955, contains the same essential points as other mutual defense treaties. It affirms that in event of armed attack upon any territories under the administration of either Government in the Western Pacific Area, both states would act together to meet the common danger. In addition, both states agreed to maintain and develop their individual and collective capacity to resist armed attack and Communist subversion. As a result of this commitment, the United States has obligated itself to extend continual and substantial military aid. In fiscal 1964, $128.1 million was appropriated for military assistance to the Republic of China, and since 1948, the total has been $2,245 million.[17]

V SUMMARY

Supplementing the several multilateral mutual defense alliances discussed in Chapter III, the United States has concluded a number of bilateral defense treaties.

The first major pact was formed with the Philippines on August 30, 1951. As a result of this agreement, and because of Philippine membership in SEATO, the United States has extended a considerable amount of military aid.

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[16] For the full text see: Congress, Treaties, op. cit., p. 29.

[17] Bureau of the Budget, op. cit., p. 227.

Shortly thereafter, the United States and Japan formulated a mutual defense arrangement. As a result of this pact, the United States has extended large amounts of military assistance to help Japan build its three Self-Defense Forces, a euphemism for a conventional military establishment.

Following the Korean War, the United States was determined to announce a more forceful commitment to Korea than had existed prior to 1950. As a consequence, the United States entered into a mutual defense treaty with Korea which was signed on October 1, 1953. As a result of this treaty, the United States has rendered enormous amounts of aid to Korea. Not only has direct military assistance been granted, but large sums of Supporting Assistance has been extended to Korea.

After the Nationalist Government of China was forced from continental Asia, the United States extended aid to the government under various ad hoc programs. But because of the lessons learned as a result of the Korean War, the United States elected to make a firmer treaty commitment to the Republic of China. Therefore, on December 2, 1954, a mutual defense alliance was concluded between these two countries. Since the conclusion of this treaty, the United States has extended considerable amounts of military aid which has helped create an effective Chinese military establishment.

With each of these multilateral and bilateral mutual defense alliances, the United States tacitly undertook

obligations to assist the signatory states with military assistance. The aid varied in quantity from massive aid to NATO members to a minute amount of grant aid to ANZUS members. In return, the United States received agreements for cooperation in the event of hostilities and other concessions such as base rights. The mutual assistance obligations incurred by these agreements varied from the vague requirement to act together to meet common danger in event of aggression within certain areas, to the more comprehensive agreement which considered that an armed attack against one member state would be considered as an armed attack against all the member states and which would result in the use of armed force to defend the aggrieved nation.

With these alliances, the United States built a wall of containment around the Sino-Soviet heartland. Member states stretched from Norway in Europe eastward through the Middle East, South and Southeast Asia, and to Korea and Japan in the North Pacific.

CHAPTER V

MILITARY ASSISTANCE LEGISLATION

I MUTUAL DEFENSE ASSISTANCE ACT OF 1949

In Chapters II and III, several legislative acts relating to military assistance have been mentioned. In these early programs the aid had been granted on an essentially ad hoc basis with little correlation between the needs of the recipients and overall American national security strategy and foreign policy. Then, the Mutual Defense Assistance Act of October 1949 consolidated all the previous military aid programs and developed a new administrative plan for world-wide aid. This act became the core of all future military assistance programs and provided the basic rationale of long-term mutual defense agreements.

After two years of operation, the Mutual Defense Assistance Program was found to have a basic weakness. It became apparent that the separation of military, economic, and technical assistance in separate uncoordinated programs was inefficient. It is difficult under many circumstances to draw a clear distinction between economic and military projects. A rifle is clearly military aid, and a food processing plant is essentially economic aid. But a highway program can serve both goals: it can assist in the economic development of a recipient state and at the same time

add to the strategic and tactical mobility of the state's military forces. Consequently, a new program was devised which would bring all types of assistance--economic, technical, and military--into the same legislative package and thereby help prevent duplication and competition between the various agencies administering different kinds of aid. The result was the Mutual Security Act of 1951.

II MUTUAL SECURITY ACTS OF 1951 AND 1954

On October 26, 1951, the Congress passed a new law which was designed to integrate more effectively the granting of foreign assistance with broad American foreign policy objectives. This act was the Mutual Defense Assistance Control Act of 1951, commonly known as the Battle Act.[1] The purpose of the Battle Act was to put an embargo on the shipment of all armaments and strategic war materiels to any nation which may threaten the security of the United States or its allies. Furthermore, and of particular importance to this study, it prohibited the granting of American aid to any recipient state which traded in such commodities with states who were a potential threat to American security. The aim of the Act was to halt any trade in arms or strategic materiels with the Soviet bloc and prohibit any American aid recipient state from similar trade. There were special provisions enabling the President to allow aid to certain states which dealt with the Soviet bloc in quasi-strategic

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[1] Brown and Opie, op. cit., p. 427.

materiels, but the Act put the responsibility on the President to justify such action to the Congress. These exceptions were designed to permit aid to certain states which were intimately and economically tied to the Soviet Union, in hope of slowly weaning them from the complete domination of Russia. The Battle Act has been a most effective tool of American foreign policy for it has enabled the United States to have an influential role in the trade and foreign policy conduct of aid-recipient states. It has forced these countries to take a stand on their world alignment--they must choose between close association with the United States, close association with the Communist bloc, or strict military neutrality.

The Mutual Security Acts of 1952 and 1953 were essentially the same laws as the 1951 Act, but in 1954 a new and significant amendment was enacted. It modified the domestic administration of the Mutual Security Acts and transferred more of the responsibility for management of the program from independent agencies to the Departments of State and Defense. The basic Mutual Security Program, as established by the Mutual Security Acts, thereafter continued for nearly a decade without significant change.

III THE DRAPER REPORT

Although the Mutual Defense Assistance Acts provided for better coordination of aid than the previous ad hoc programs, there was still a continuing criticism of the foreign aid policy in the press and among certain members of

the Congress. Therefore, in order to obtain a new and objective evaluation of the entire foreign aid program, President Eisenhower ordered a study-in-depth of military aid in November 1958. He called upon a distinguished group of men to make a thorough review of the program. William H. Draper, Jr., became chairman of the committee[2] which came to bear his name and the findings of the committee became known as the Draper Report.[3]

The composition of the Draper Committee was notable because of the high calibre and wide experience of its members in the fields of law, banking, diplomacy, government, and war.[4] The devotion and attention to their task is demonstrated by the fact that the Committee required nearly a year to complete its study, and the final composite report numbered some 550 pages.

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[2]The other members were: Dillon Anderson, Joseph M. Dodge, Alfred M. Greunther, Marx Leva, John J. McCloy, George McGhee, Joseph T. McNarney, Arthur W. Radford, and James E. Webb.

[3]The several interim and final reports have been published in two volumes: Draper Committee, Composite Report of The President's Committee To Study the United States Military Assistance Program, 2 vol., (Washington, D.C.: U.S. Government Printing Office, August 17, 1959). Hereinafter, this study will be referred to as the Draper Report.

[4]The members included three attorneys, five industrialists and business executives, three diplomats, and four retired general officers. A brief biographical background of the Committee is presented on page 195 of the Draper Report.

Two broad conclusions of the Committee are of particular importance. It found that "the Mutual Security Program is a sound concept and an essential tool of our foreign and strategic policies."[5] Furthermore, in response to the President's request to make a "critical appraisal . . . of the relative emphasis which should be given to military and economic programs"[6] of foreign assistance, the Committee concluded that "Economic assistance, by strengthening the local economy /of recipient states/ permits it to bear a heavier military burden and increases the incentive to the countries' people to sustain a military effort. . . . Nor does the maintenance of military strength in a less developed country, particularly when we cushion its impact with Defense Support, necessarily inhibit its economic progress."[7] Consequently, in broad terms the Committee concluded that military assistance is not only desirable to the United States but absolutely essential; and that economic assistance, notably today's Supporting Assistance, is a necessary concomitant to military aid.

But in spite of general approval of the Mutual Security Program, The Draper Committee did find weaknesses and faults in the program and made many recommendations for improvement. The most important financial suggestion was that the dollar levels of all aid should not only be

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[5] Draper Report, vol. I, p. 129.

[6] Ibid., p. vii.

[7] Ibid., p. 149.

maintained but actually increased. The Committee recommended an increase of $400 million above the $1.6 billion requested by the Administration for fiscal year 1960.[8] For in the words of the Committee:

> . . . we recommend that four hundred million dollars more than you had requested for Fiscal Year 1960 be made available for military assistance to avoid the drastic decline in worldwide deliveries of weapons and equipment to our allies that would otherwise take place. . . .
>
> The military forces which we have helped build cannot be sustained except on a solid foundation of annual support of this magnitude. If we do not commit ourselves to, and follow through with, an adequate annual support level, the forces which every responsible national and free world estimate shows to be required will not exist. In fact, the recent progress toward meeting necessary levels of military strength will turn into a decline.[9]

In addition, the Committee made important recommendations for improving the legislation, administration, and management of military assistance. The more significant ones are worthy of mention.

1. Department of State influence in the coordination of military and economic aid should be increased to provide clearer foreign policy objectives.[10]

2. "A continuing authorization should be provided for military assistance, and the appropriation should be included in the Department of Defense budget."[11]

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[8] Ibid., p. 14.

[9] Ibid., p. 130.

[10] Ibid., p. 135.

[11] Ibid.

3. The administrative machinery of foreign aid should be reorganized. The six agencies presently administering foreign aid[12] should be reduced to two. A new agency should be responsible for all economic aid, and the Department of Defense should be clearly responsible for military assistance.[13]

4. The Unified Commanders and the country teams should have greater responsibility for the planning and execution of all assistance programs.[14]

5. Systems of self-evaluation and internal audit of the military and economic aid programs should be established.[15]

6. Continuing appropriations for military assistance should be established and be included in the Department of Defense budget.[16]

7. It is not necessary that individual foreign assistance programs must be continued indefinitely. They

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[12]Export-Import Bank, Development Loan Fund, International Cooperation Administration, Agricultural Surplus Program, International Educational Exchange Service, Department of Defense. For an organizational chart of the foreign aid agencies as studied by the Committee, see the Draper Report, fig. 12, p. 101.

[13]Ibid.

[14]Ibid.

[15]Ibid., p. 136.

[16]Ibid.

should be constantly evaluated and when recipient nations no longer require them, they can be decreased and ended. There has been a tendency to make some of the programs self-perpetuating.[17]

8. Foreign aid must not be continually and exclusively supported by United States funds. Increased participation in both economic and military assistance should be sought from our industrially developed allies and other world institutions.[18]

9. Greater emphasis should be placed on mutual development and standardization of weapons systems with America's industrially developed allies. Sole reliance on United States systems will inhibit friendly foreign countries from enhancing their own military capabilities.[19]

10. Some of the requirements to be met by recipient countries must be liberalized. The stigma of colonial control is still fresh in the minds of some emerging nations, and some of the requirements attached to our foreign aid programs tend to make these nations regard American aid criteria as unjustified intrusions in the domestic affairs of the recipient states. Furthermore, some states within the Soviet orbit presently cannot meet United States aid requirements, but if the restrictions were liberalized, it

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[17] Ibid., p. 148.

[18] Ibid., p.156.

[19] Ibid., p. 159.

would be possible to decrease Soviet influence over some of these countries.[20]

11. "There is no single aspect of the Military Assistance Program which produces more useful returns for the dollars expended than these /Military Assistance Training/ programs. At present, the full potential of this training has not been realized because of legislative restrictions. New legislation should permit greater employment of training in military assistance plans."[21]

12. Recipient nations' military forces should be utilized to a greater extent in civic action projects, e.g., public works, indigenous technical training and education, etc. This greater emphasis on civic action should be encouraged by means of military assistance requirements and should be limited only when civic action programs are used as an excuse to maintain military forces larger than actually needed, and when civic action programs detract from the essential military missions of the armed forces.[22]

13. The Executive Branch should endeavor to inform the American public about the value and necessity of foreign assistance. The failure of Americans to see the tangible results of foreign aid results in pressure on Congress to limit its appropriations. Furthermore, the Government

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[20] Ibid., p. 162.

[21] Ibid., p. 163.

[22] Ibid., p. 167.

should promptly and vigorously answer unjustified and erroneous reports about the Military Assistance Program.[23]

This study by the Draper Committee was not the first on the subject of military assistance--during the 1950's there were fifteen major investigations[24]--but it was the most comprehensive, scholarly, and definitive. Not all the recommendations of the Committee have been incorporated in subsequent legislation, and two of the most important have not been enacted. The Congress has still failed to appropriate funds near the level of $2 billion as recommended by the Committee. For fiscal 1965, only $1.05 billion was voted by the Congress, and the highest figure appropriated in any year since the Draper Report was $1.8 billion in fiscal 1961.[25] The continual refusal of Congress in recent years to approve of military assistance funds approaching the $2 billion figure has finally driven the Executive Branch to request monies closer to the amount that the Congress is wont to grant. For fiscal 1966, the Administration has pared its request to $1.17 billion.[26] Furthermore, the Congress has

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[23] Ibid., pp. 170-171.

[24] Amos A. Jordan, Jr., Foreign Aid and the Defense of Southeast Asia (New York: Frederick A. Praeger, 1960, p. 4f.

[25] Department of Defense, Military Assistance Facts, p. 8. This thirty-one page unclassified pamphlet is an excellent source of selected statistics on military assistance and its yearly trends.

[26] Bureau of the Budget, Proposed Mutual Defense and Development Programs FY 1966, op. cit., p. 195.

still not seen fit to include military assistance in the Department of Defense budget.

Notwithstanding these failures, the Draper Report had such an impact on the Executive and Legislative Branches that many of its recommendations have been accepted in substance and incorporated in later laws. The most obvious result of the Report was that it resulted in a new Congressional act--the Foreign Assistance Act of 1961. This Act, as amended, is still the current law for foreign aid. In order to fully understand the operation of military assistance today and its influence on national security strategy and foreign policy, it is necessary to make a detailed examination of the law.

IV SUMMARY

In order to formulate a more coordinated program of military assistance than was possible under the early ad hoc aid programs, and to provide for the support commitments which the multilateral and bilateral mutual defense alliances required, the United States Congress enacted a comprehensive aid law. It was the Mutual Defense Assistance Act of 1949. This Act was followed by the generally similar Mutual Defense Security Acts of 1951, 1952, 1953, and 1954. Although these laws continually provided for increased efficiency of the foreign aid program, criticism of the program continued. As a result, President Eisenhower created a study group in 1958 to review the entire military assistance program. This

group was chaired by William H. Draper, and the Committee and its report came to bear his name.

The Draper study was an extensive and searching probe of military assistance. In general, it found the program to be an essential and effective tool of American national strategy, and strongly recommended not only its continuance but also its enlargement. Yet, the Committee did find grounds for criticism and made many specific recommendations for improved administration and management.

The significance of the Draper Report was that it was a solid endorsement of the military assistance program and that its recommendations for improved management led to new foreign aid legislation.

CHAPTER VI

THE FOREIGN ASSISTANCE ACT OF 1961

I FORMAT

The Foreign Assistance Act,[1] as currently amended, is organized into three basic parts. Part I deals with economic assistance and describes, among other programs, the functions and goals of the Contingency Fund and Supporting Assistance. These two programs, although budgeted and administered as economic assistance, actually have a close relationship to military assistance and complement the Military Assistance Program. Supporting Assistance and the Contingency Fund will be discussed in greater detail below. Part II of the Act deals specifically with military assistance. This Part will be analyzed in detail in the remainder of this chapter. Part III of the Foreign Assistance Act sets

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[1] Public Law 87-195 /S. 1983/, 75 Stat. 424, approved September 4, 1961, as amended by the Foreign Assistance Act of 1962, Public Law 87-565 /S. 2996/, 76 Stat. 255, approved August 1, 1962; Public Law 87-793 /H. R. 7927/, 76 Stat. 832, approved October 11, 1962; Public Law 88-205 /H. R. 7885/, 77 Stat. 379, approved December 16, 1963; Public Law 88-426 /H. R. 11049/, 78 Stat. 400, approved August 14, 1964; Public Law 88-448 /H. R. 7381/ 78 Stat. 484, approved August 19, 1964; Public Law 88-633 /H. R. 11380/, 78 Stat. 1009, approved October 7, 1964; and Public Law 88-638 /S. 2687/, 78 Stat. 1035, approved October 8, 1964. Hereinafter, this act, as amended will be denoted in footnotes as the F.A.A. The complete text of the Foreign Assistance Act, as currently amended, is contained in Information and Guidance on Military Assistance, op. cit., pp. 51-71.

forth administrative procedures for the granting of both economic and military assistance and describes in great detail the criteria and restrictions which must be applied to the granting of aid.

II PURPOSE

The intent of Congress in enacting the Military Assistance Program and the basic rationale of military aid, is contained in the Statement of Policy appearing in the beginning of Part II.[2] In describing the purpose of the Act, the Congress takes particular cognizance of the peaceful intentions of the United States in granting military assistance, noting specifically that the United States will continue to adhere to the principles contained in the Charter of the United Nations; will strive for universal control of nuclear weapons; and will grant military aid solely for purposes of individual and collective self-defense. The Act also notes that the United States has undertaken these obligations of mutual aid because international communism has continually threatened free and independent peoples by means of military threats and actions, economic pressures, and internal subversions.

In order to implement this policy of Congress, the Foreign Assistance Act empowers the President with the following general authority:

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[2] F.A.A., Sec. 502.

> . . . to furnish military assistance on such terms and conditions as he may determine, to any friendly country or international organization, the assisting of which the President finds will strengthen the security of the United States and promote world peace and which is otherwise eligible to receive such assistance, by--
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> (a) acquiring from any source and providing (by loan, lease, sale, exchange, grant, or any other means) any defense article or defense service;
>
> (b) making financial contributions to multilateral programs for the acquisition or construction of facilities in foreign countries for collective defense;
>
> (c) providing financial assistance for expenses incident to participation by the United States Government in regional or collective defense organizations; and
>
> (d) assigning or detailing members of the Armed Forces and other personnel of the Department of Defense to perform duties of a noncombatant nature, including those related to training or advice.[3]

But the President does not have a complete freedom in the dissemination of aid; he must comply with the rigorous eligibility requirements which are enumerated in the Act. These restrictions have a vital bearing on the manner in which the President shapes national security and diplomacy by means of military assistance.

III ELIGIBILITY REQUIREMENTS

Prior to granting military assistance, the President is obliged to determine the purposes for which the aid is to be employed in accordance with the following criteria. All

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[3] F.A.A., Sec. 503.

military assistance shall be furnished solely for internal security, legitimate self-defense, and for participation in regional or collective measures consistent with the Charter of the United Nations. When aid is granted to underdeveloped nations, the President must encourage the recipients to utilize their military forces for Civic Action programs and other purposes designed to enhance the economic development of the state.[4]

The use of granted articles is restricted to a recipient's agents, may not be disposed of by any agent of the recipient state, and may be used only for purposes for which furnished. The recipient must agree to maintain security of the articles under the same standards as the United States maintains. The recipient state must agree to allow continuous inspection of all articles in order to insure their proper use and security. Also, the articles must be returned to the United States, or disposed of according to American instructions, when they are no longer required.

Furthermore, no articles may be granted by the President to any country in excess of $3 million per fiscal year unless: the recipient conforms to the principles of the Charter of the United Nations; the articles will be used solely for purposes of defending the recipient and the United States; and the recipient is making every reasonable effort to improve its own defense capabilities.

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[4]F.A.A., Sec. 505.

Finally, the Act requires the President to reduce military aid to a recipient as its own ability to support its defense increases, and he must terminate assistance if a recipient uses granted articles "in substantial violation" of any provisions of the Foreign Assistance Act.[5]

Upon examination of only sections 505 and 506 of the Foreign Assistance Act, it can be seen how extensive the President's power may be over a recipient country if that country desires to receive American assistance. The President must require the recipient state to employ the provided defense articles solely for legitimate self-defense and internal security. Consequently, the President may bring pressure to bear upon a recipient state by threatening, or actually ceasing, military assistance if he determines that the recipient is using the military assistance articles for aggressive warfare. The most notable example of this resulting influence on a recipient is the case of Pakistan when that country initiated hostilities against India in 1965. President Johnson, in attempting to induce Pakistan to cease the undeclared war, actually did halt military shipments to Pakistan. The vast majority of military equipment possessed by Pakistan was of American origin. Had the war continued, Pakistan would have required expendable military supplies and maintenance articles for its heavy equipment. The fact that these supplies were denied to Pakistan by the President can be logically considered to have had a significant affect on

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[5] F.A.A., Sec. 506.

the decision of Pakistan to agree to end the conflict. Thus, military assistance served as a valuable tool of American diplomacy.

In part (b) of Section 505 of the Foreign Assistance Act, the President is enjoined to encourage recipient states to employ their military forces in building economic development programs. In recent years, a great deal of emphasis has been placed on this type of program--known as Civic Action--and it has had encouraging success in a number of underdeveloped recipient states. By making the initiation of Civic Action programs a necessary requirement for continued military assistance, the President may be able to induce a recipient state to introduce far-reaching social and economic development programs.

Section 506 also empowers the President to use military assistance as a lever of influence in the internal sovereignty and foreign policy of recipients. The grantee is required to use military assistance articles only for the purposes for which they were granted, i.e., for self-defense by unilateral or regional action. As a result of this requirement, the United States has continually prohibited the Portuguese from using American military assistance articles to enforce the repressive measures which the Portuguese occasionally employ in Angola and Mozambique.

Because the United States reserves the right to make continuous inspections of the equipment granted by military assistance, and because the United States demands that recipients maintain certain standards of maintenance of

provided defense articles, the United States is able to interpose considerable influence on the recipient's security plans and preparations. Because the American Government is able to inspect the recipient's military establishments, the United States can make accurate intelligence estimates of the capabilities and plans of the recipient state. This mere knowledge, by the United States, may create an inhibiting effect on the foreign policy of a recipient state in addition to impinging to a degree on the sovereignty of the grantee. Thus, again, the United States may use military assistance as a method of influencing recipient states.

In addition to these requirements which are imposed upon recipients, the Congress has charged the President with the responsibility of decreasing military aid as the ability of the recipient to finance its own military forces increases. Although the incident arose in response to American economic aid policies, an interesting example of the diplomatic effect of this requirement occurred in early 1966 in respect to Iran. As reported in a Time magazine article,[6] Iran has recently enjoyed an enormous economic growth as a result of Mohammed Reza Shah Pahlevi's new economic programs which have been in effect since 1962. But a not insignificant element of this Iranian development has been the economic assistance of the United States. As Time has reported the situation:

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[6]"Iran--The White Revolution," Time, Vol. 87, No. 6, February 11, 1966, p. 80.

> Such has been the progress of the Shah's program that the U.S. Government slashed aid to Iran from $22 million to $2,900,000 last year. And, last December, President Johnson's Cabinet Committee on Balance of Payments--which sets guidelines for the 'voluntary' program limiting direct U.S. investment abroad--declared that Iran was now a 'developed nation.' Far from feeling complimented, the Shah and Amir Abass Hoveida, his Prime Minister and chief economic planner, took the declaration as an affront; it made Iran for the first time subject to the guidelines.

Although this particular incident is not directly related to military assistance, it does portend problems which may arise when the United States will be obliged to call on certain recipients to share a greater load of their defense burden. But more important, it indicates how sensitive recipients have become to any cut-back in aid, with the result that the President may use the threat of a cut-back to induce recipients to comply with actions which are in the American national interest.

MILITARY AID TO LATIN AMERICA

The Congress has been particularly sensitive about military aid to Latin America and consequently has imposed specific restrictions on the President's freedom to grant aid to those countries:

> (a) The value of grant programs of defense articles for American Republics pursuant to any authority contained in this part other than section 507 /pertaining to sales of military equipment/, in any fiscal year beginning with the fiscal year 1962, shall not exceed $55,000,000, of which a part may be used during each fiscal year for assistance in implementing a feasible plan for regional defense . . .
>
> (b) Internal security requirements shall not, unless the President determines otherwise and promptly reports such determination to the Senate Committee on

> Foreign Relations and to the Speaker of the House of Representatives, be the basis for military assistance programs for American Republics.[7]

The purpose of this restriction is quite clear. The Congress has been concerned about several problems relating to the Latin American Republics. The first is the predilection of the Latin American military elite to establish authoritative regimes and military dictatorships. A sine qua non of these undemocratic regimes is the support of the military establishment. Consequently, the Congress is loath to assist in the creation of military forces in these countries whose purpose is to support undemocratic governments rather than oppose aggression from outside the hemisphere.[8] In order to inhibit the growth of military forces beyond that which is necessary or desirable for likely mutual defense needs, the Congress has limited the President's freedom to grant military aid to Latin American states.

Another consideration concerning aid for Latin American military forces is the American goal of insuring that Latin states do not use their military capabilities to engage in wars among themselves. The South American

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[7] F.A.A., Sec. 511.

[8] A frequent criticism of military assistance to Latin America is that it has contributed to military coups, resulting in the establishment of military dictatorships and the demise of democratic institutions. Harold A. Hovey has made a study of this charge and has concluded that "the weight of evidence appears to be that military assistance has not 'caused' military coups in Latin America." Harold A. Hovey, United States Military Assistance (New York: Frederick A. Praeger, 1965), p. 72.

Republics have enjoyed comparatively good relations in the recent decades, and the Congress is anxious that disagreements arising between Latin states are not resolved by a resort to arms. As a result, the Congress has intended to avoid creating such strong military forces in Latin America that those states would be tempted to test their military capabilities against their sister republics.

Several other factors have also been considered in restricting Latin American military assistance. The Congress has designed aid to Latin America in such a manner as to prevent one state from gaining an overwhelming military superiority within the continent. If one state were able to develop such a capacity, it would possibly enable that state to gain hegemony over all its sister republics; would definitely upset the balance of power existing in South America; and would probably result in an arms race between the several Latin countries. If an arms race did begin, some Latin states might resort to extra-American sources for the purchase and grant of military articles. This would not be in the American national interest because the United States does not desire an arms race among American states, and also it would be contrary to American interests to have non-American states supply weapons to South America and thereby gain political and military influence in this hemisphere. In order to prevent such conditions from occurring within the South American states, the United States has designed its military aid program to Latin America to prevent one state from gaining a distinctly superior military posture advantage

over the others and to maintain relative equality between the several Latin military establishments. A final reason for the American interest in maintaining relatively modest, balanced military forces in Latin America is to prevent an arms race which would have a deleterious effect on the economic growth of South America. Economic development of Latin America is a most critical problem affecting not only the Latin American states themselves, but United States national interests and world order as well. The attempt by the Latin states to create military establishments which would tax the economic and financial resources of these states could only result in a decrease of these states' ability to improve their economic development. Thus, the Congress, in considering all these factors, has restricted quite rigidly the freedom of the President to grant military assistance to Latin America. In turn, these restrictions have a profound effect on the ability of the United States to influence Latin American states and hence is another example of how military assistance supports American foreign policy.

MILITARY AID TO AFRICA

The Congress has also limited the President's power to extend grant military assistance to Africa, and the reasons are similar to those motivating restrictions on Latin American aid, namely: to prevent one African state from gaining hegemony over the continent; to prevent an arms race between the African states which would create an arena for

East-West competition; to prevent an arms race in Africa which may lead to a balance of power struggle and resulting war; to deter the African states from wasting their vital economic and financial resources in building large and unnecessary military organizations; and to deter African opportunists from employing military establishments in overthrowing those democratic governments which do exist in Africa. Consequently, the Congress has written into the foreign aid law specific restrictions on military aid to Africa:

> No military assistance shall be furnished on a grant basis to any country in Africa, except for internal security requirements or for programs described in section 505(b) of this chapter /pertaining to Civic Action Programs/, unless the President determines otherwise and promptly reports such determination to the Committee on Foreign Relations of the Senate and the Speaker of the House of Representatives. The value of grant programs of defense articles for African countries . . . shall not exceed $25,000,000 /per fiscal year/.[9]

RESTRICTIONS ON AID TO COMMUNIST STATES

The general rule regarding aid to Communist states is found in Part Three of the Foreign Assistance Act and pertains to economic aid as well as military assistance: "No assistance shall be furnished under this Act to the government of any country unless the President determines that such country is not dominated or controlled by the international Communist movement."[10] But, if the President does

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[9] F.A.A., Sec. 512. For a lengthier discussion of aid to Africa, see: Hovey, op. cit., pp. 104-11.

[10] F.A.A., Sec. 620(b).

consider that it is in the American interest to grant aid to a state with a Communist government, he is obliged to advise Congress of the fact and clearly indicate to the Congress that the grant is vital to the security of the United States. Also, he must show that the recipient state is not controlled by the "international Communist conspiracy," and that the assistance will promote the independence of the recipient country from "international Communism."[11]

Thus, it can be seen that there are loopholes in the law which do permit the President to extend assistance to Communist states, and in fact it has been done in the past, prior to the passage of the Foreign Assistance Act of 1961, with dramatic results.

Following World War II, the Soviets were unable to occupy Yugoslavia as completely as they did the other Eastern European states. This was due partly to Soviet military strategy which did not require large Red Army forces to move into Yugoslav territory, and partly because Tito had already established a viable and de facto government which had the support of a well-equipped and loyal army. As a result of these conditions, Tito was able to chart a more

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[11] F.A.A., Sec. 620(f). The F.A.A. does not define the "international Communist conspiracy" or "movement," but it does specifically name in Sec. 620(f), each of the following states as a "Communist country": Peoples Republic of Albania, Peoples Republic of Bulgaria, Peoples Republic of China, Czechoslovak Socialist Republic, German Democratic Republic (East Germany), Estonia, Hungarian Peoples Republic, Latvia, Lithuania, North Korean Peoples Republic, North Vietnam, Outer Mongolia-Mongolian Peoples Republic, Polish Peoples Republic, Rumanian Peoples Republic, Tibet, Federal Peoples Republic of Yugoslavia, Cuba, and Union of Soviet Socialist Republics.

independent course in the immediate postwar period than the neighboring Balkan regimes were able to do. By June 1948, Tito openly renounced his acquiescence to Soviet domination. Although this policy was dangerous because it risked Soviet military attack, Tito was able to operate from a significant position of strength because of his thorough control of Yugoslavia, and because of support he received from the West. The NATO states were quick to realize that a diplomatic and strategic coup would result by supporting Tito against Stalin and Soviet hegemony. Consequently, Tito's request for Western support was fruitful. He received $20 million in credits from the Export-Import Bank and some $40 million in food supplies.[12] So effective was this economic support in enabling Tito to oppose Stalin's attempted domination, that in 1951 the United States began to grant military assistance to Yugoslavia in order that Tito could completely sever his Soviet relations.[13] Also, aid was extended to Tito for assisting Yugoslav industrialization. As a result, Tito became so independent that in October 1951 he was able to declare "that, if Russian aggression caused a third world war, Yugoslavia would fight on the side of the West."[14] Tito further indicated his independence from Moscow by

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[12]Frederick H. Hartmann, The Relations Of Nations (second edition; New York: The Macmillan Company, 1962), pp. 341-42.

[13]Ibid.

[14]Ibid.

entering, in 1954, a "Little Balkan Entente" with Greece and Turkey, both NATO members. Thereafter, Yugoslavia became a nominal partner in Western defense strategy against the Soviets.

Although subsequent amendments to American foreign aid laws ostensibly prohibit aid to Yugoslavia, exceptions to this prohibition can be made by the President, and it can be logically assumed that the United States would again extend economic and military aid to Yugoslavia if it becomes necessary in order for Tito to maintain his independence. Although Yugoslavia still remains a Communist state, it is a politically independent one which is definitely outside the Soviet orbit and, by default, a NATO ally. The Yugoslav case is a significant example of the value of American economic and military assistance in furthering the national interests of the United States.

RESTRICTIONS ON AID TO CUBA

Not only does the Foreign Assistance Act specifically prohibit the granting of assistance to Cuba, but it also restricts American aid to third states which engage in aiding Cuba--unless the President determines it to be in the national interest to do so. The provisions relating to third states forbids assistance to these states unless they halt ships of their registry from transporting to Cuba any items of economic assistance of strategic articles as defined by the Battle Act. Finally, the Act also permits the President to establish a complete embargo on all trade

between the United States and Cuba. All these restrictions apply as long as the Castro regime remains in power.[15]

Here we find an important device which may be used by the President. Although Section 620 of the Act is aimed primarily at a quarantine of Cuban commerce, it also enables the President to halt American assistance to states conducting certain trade relations with Cuba. Thus, if it eventually serves the national interest of the United States to halt assistance to states dealing with Cuba, the President has the legislative authorization to do so. Thus far, the President has been most reluctant to apply sanctions to recipient states which trade with Cuba, but the threat is real and the onus has been put on several nations to justify their Cuban trade. One notable case involved a British-Cuban trade arrangement. In 1964, a private British concern, Leyland Motor Co., entered into a trade agreement to supply 950 buses to Cuba. Although the British Government did not directly negotiate the deal, they did feel obliged to make announcements justifying the trade on the grounds that the buses could not directly contribute to the military posture of Cuba. The British Government did, however, insure that the buses were not transported in British registry ships, thus giving at least a recognition to the American policy of discouraging Cuban trade on the part of American allies.

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[15] F.A.A., Sec. 620.

Although the more affluent of the United States' allies could be less deterred from Cuban trade because they receive less assistance from the United States, many of the underdeveloped nations, notably Latin American, are sensitive to this American prohibition on Cuban trade and have been prone to cooperate with the United States. Here then is another example of how American foreign assistance, admittedly in this case primarily economic assistance, can exert strong influence on recipient states.

MISCELLANEOUS RESTRICTIONS ON FOREIGN AID

There are other provisions in the Foreign Assistance Act which the President must observe which may be employed as an instrument of foreign policy. The President is required to halt any assistance to a recipient if that state: (a) nationalizes any property which is at least half owned by Americans; (b) has repudiated existing contracts or agreements negotiated with firms which are more than half American-owned; or (3) has imposed discriminatory taxes against American firms which amount to expropriation. These Congressional restrictions may be removed if a recipient takes appropriate action, within a reasonable time, to adequately compensate American firms for losses resulting from actions as described above.[16] In addition, the President must require that each state, which is underdeveloped, agree to enter into an investment guarantee program which

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[16] F.A.A., Sec. 620 (e).

insures in advance against expropriation or confiscation of American property. This requirement also includes loss against risks of currency incontrovertability.[17]

These requirements which are applied to recipients are designed primarily to protect private American investments in developing nations. It has frequently been the experience of American corporations that foreign states resort to an expediency of confiscating American property and funds when they are unable to efficiently manage their economies, or when a chauvinistic and xenophobic wave of nationalism prompts the takeover of United States assets. The most notable example of mass expropriation in recent years occurred after Castro gained power in Cuba. But other cases, less onerous but still serious, have occurred. Certain Latin states have within recent years applied excessive taxes on American extractive corporations which, in practice, amounted to partial expropriation. Also, American oil companies have experienced contract renegotiations, demanded by Middle Eastern countries,which have resulted in such sharp cuts in profits that the American companies were forced to consider abandoning their operations. Such conduct by foreign states not only causes immediate distress to American companies, but it also constitutes myopic policies by these states because they severely discourage the flow of investment capital into their economies. It is hardly profitable, for either the United States or a

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[17]F.A.A., Sec. 620 (l).

developing state, to arrange foreign aid programs and at the same time deter private investment. Consequently, the United States has undertaken the policy of tying American assistance to investment guarantees which must be made by the recipients. Admittedly, this provision is designed primarily to relate to economic aid, but the United States may also threaten to halt military assistance in order to enforce investment guarantees.

A secondary advantage accruing to the United States as a result of enforcing this provision of the Act is that it will force recipient states to make more feasible and rational economic policies. One of the primary goals of American foreign policy is to assist underdeveloped states improve their economies and industrialization. Because recipient states are aware of the consequences of expropriation, the United States has a tool which may be used not only to protect American investments, but to insure logical economic planning in the future on the part of recipient countries.

In final addition to these several restrictions placed upon the President, one more is germane to this study. This one prohibits aid to any state which is preparing for aggressive military action against the United States or any state receiving American aid.[18] The real importance of this restriction is not because it prohibits aid to a state which has plans for aggression against the United States. It is

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[18]F.A.A., Sec. 620 (i).

axiomatic that no state would knowingly assist another country which has intentions to attack its benefactor. The real significance of this provision is that it prohibits aid to a state which may be planning, or does commit, aggression against a third state which is also an American assistance recipient. Thus, the restriction is designed to protect American mutual security allies from attacking each other. There have been instances in the past[19] when two states receiving American aid have either engaged in hostilities or have been close to an actual war. These crises have certainly not been sanctioned by the United States, nor have they been in the American national interest. Also, it must be agreed that when a really vital issue confronts two or more American aid-recipient countries, the threat of a loss of American aid will not, per se, deter warfare. The loss of American aid cannot ultimately stop such a war because vital interests by definition imply a resort to war. Also, if a state is determined to fight, it can frequently find alternate sources of weapons--at least for a short war.

Notwithstanding these considerations, it must be concluded that the threatened loss of American assistance can help deter war in less than vital cases. Greece and Turkey, in their disagreement over Cyprus, are a case in point. The only great power that would gain politically from a Greek-Turkish confrontation would be the Soviet Union. Although

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[19]For example, the Greek-Turkish confrontation over Cyprus, and the Indo-Pakistan war in Kashmir.

it is within the realm of possibility that the Turks may at some future date turn to the Soviets for support, it certainly would not be practical nor wise for the Turks to do so in order to obtain assistance for a Cyprus confrontation. The risk would be too grave for the Turks to turn to their ancient enemy, and the issue of Cyprus does not quite reach such a vital extreme. Consequently, the United States remains in a strong bargaining position vis-á-vis these two states in influencing them to settle their differences without resort to arms.

Other instances may be cited to support this argument; for example, the Indo-Pakistan Kashmir dispute and disputes in Latin America. It is, of course, impossible to assess accurately how effective American pressure to suspend assistance to our friends is, but it must be granted that in less than vital issues it can be helpful lever of diplomacy. The awareness on the part of recipient states, that the President is obliged legally (and politically) to halt assistance in cases where there are threats of aggression between American allies, serves two purposes. It assures each of our allies that the United States endeavors to protect them from each other, and, in addition, it serves as a mortar holding together the essential American alliance system.

IV MILITARY ASSISTANCE SALES

Thus far, this chapter has been addressed to a discussion of those sections of the Foreign Assistance Act

which deal with grant, or gift, aid. In addition, this Act contains procedures that must be followed in order to sell defense articles and services to countries and international organizations which require American military equipment, but who do not qualify for grant aid. These cases arise when a friendly state is in need of modern defense equipment, but is unable to produce it locally, is not able to manufacture it at prices comparable to American costs, or is unable to pay for it without the extension of American governmental credits. The section dealing with Military Assistance Sales is quite brief, and the restrictions pertaining to sales are considerably less detailed than those affecting grant aid. The President is empowered to grant defense articles to friendly foreign states and international organizations providing they agree to pay a fair price for the articles in dollars and to make advance payments when necessary to cover development and research costs.[20]

The Military Assistance Sales program is a most valuable adjunct in the formulation of American national strategy. The advantages that accrue to the United States are not only similar to those which result from grant aid, but in addition they have the extraordinary virtue of paying for themselves. Also, the requirement to pay for the sales in dollars assists in alleviating the current balance of payments problems. Presently, some sixty-seven

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[20] F.A.A., Sec. 507.

states and ten international and regional organizations are qualified to make some kind of Military Assistance Sales purchases from the United States.[21]

The trend of this sales program is both significant and interesting. It is significant because it has been continuously increasing since 1950 when sales amounted to $13 million.[22] In 1964 the total volume of sales reached an annual volume of $804.4 million, and, in the years from 1950 through 1964, Military Assistance Sales reached a grand total of $5.241 billion.[23] The importance of this trend is that it indicates that America's mutual defense allies are increasingly able to shoulder a greater part of the Western Bloc defense costs.

An interesting aspect relating to Military Assistance Sales is the recent unexpected support the program (and all

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[21]The sixty-seven countries essentially comprise those nations which have concluded multilateral or bilateral mutual defense alliances with the United States. But several neutral or nonaligned states also qualify, e.g., Sweden, Switzerland, and India. The ten international or regional organizations which qualify to make purchases are: ANZUS; CENTO; International Civil Aviation Organization; International Commission for Supervision and Control in Laos; NATO and its agencies: OAS; Supreme Allied Commander, Atlantic; SEATO; Supreme Headquarters, Allied Powers, Europe; and the United Nations Truce Supervision Organization (Palestine). Source: Information and Guidance on Military Assistance, p. 124.

[22]Ibid., p. 129. This figure represents only articles and does not include services which were purchased. For the years 1950 through 1956, accurate accounting figures for services are not available for individual years, but the total for these seven years amounted to over $138 million.

[23]Ibid.

foreign aid) has received from the American private business community. Whereas in past years, much criticism has been leveled at the foreign aid program by business interests, today a number of business leaders are not only supporting the concept of foreign aid, but have in fact quietly established a group in Washington to lobby for foreign aid appropriations. As reported in Forbes magazine, David E. Bell, Administrator for the Agency for International Development, has attributed the rapid Congressional approval of the fiscal year 1966 foreign aid appropriation to the activities of this lobby. The Forbes article deals with foreign aid, military assistance; and Public Law 240, the Food For Peace Program. It points out that American businessmen have only recently become really aware of the gross revenues which these aid programs generate for American industry, shipping companies, and agriculture. Although this lobby, and businessmen in general, attest to the fact that foreign aid programs are vital to American national interests, the discussion clearly indicates that it has been the opportunity for profits which has finally brought the value of foreign aid into focus for the business world:

> Most businessmen feel that foreign aid is a necessary and important instrument of U.S. foreign policy, as important in its way as military strength. However, the motives of the businessmen are not entirely unselfish. They're equally concerned with driving home to Congress two unarguable facts:

> (1) that foreign aid creates jobs for Americans rather than destroying them; and (2) that it does not contribute significantly to the U.S. balance of payments deficit.[24]

After commenting of the volume of industrial sales that aid creates as a result of requiring recipients to "buy American," Forbes continues: "In addition, they will buy $1 billion worth of U.S. military equipment." The article continues to explain that American aid programs, including military assistance, are far from the vast "give-aways" that they are frequently reputed to be. In fact, it is shown that eighty-five per cent of foreign aid appropriations never leave the United States but are established as credits for recipient nations to draw upon. Of the remaining fifteen per cent, most of it is ultimately used to purchase American goods.

Although it is agreed that the American taxpayer must still pay the cost of aid programs, in many ways these programs are still vital investments in American national strategy. They contribute to the military strength of the states allied with the United States, they create jobs for Americans, they help dispose of agricultural surpluses by providing food to our underdeveloped allies, they develop markets for American goods, and they help to create a higher standard of living in underdeveloped countries which helps negate the appeal of Communism.

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[24] "The Money Never Leaves Home," Forbes, Vol. 95, No. 9, May 1, 1965, pp. 15-16.

V SUMMARY

The legislation which empowers the President to grant military assistance is the Foreign Assistance Act of 1961, as currently amended. The intent of the Congress in enacting this law is to further the security of the United States and its allies. While the President is responsible for administering the aid programs, he is obliged to comply with the many restrictions which are written into the Act.

These restrictions actually serve as effective tools of diplomacy because they enable the President to require that recipient countries perform certain acts in order to qualify for aid. Examples of these requirements include:

1. That aid is used for self-defense or for mutual defense as prescribed by the United Nations Charter;
2. That the recipient allow the United States to determine the ultimate disposition of the military articles, to maintain continuous observation of the articles, and to insure that the recipient maintain satisfactory security of the equipment;
3. That when feasible, grant military equipment be used for Civic Action Programs in underdeveloped countries;
4. That Latin American states use military assistance only for security against aggression from without the hemisphere or for internal security which is Communist inspired or directed;

5. That recipient states must prove that they are not controlled by the International Communist Movement;

6. That recipient states must not engage in trade with, or grant assistance to, Cuba in items of strategic value;

7. That recipient states must agree to procedures which are designed to protect American private investors in the recipient country; and

8. That recipient states may not engage in or plan hostile acts against the United States or any other states which receives American military, economic, technical, or food assistance.

By means of enforcing these requirements, the President is able to exert significant influence on states which receive American military assistance.

CHAPTER VII

MANAGEMENT AND PLANNING OF MILITARY ASSISTANCE

I INFLUENCE OF THE DRAPER REPORT

The Draper Report resulted in important changes in the management and planning of military assistance. Of the many recommendations of the Committee, several had a direct bearing on management and are presently incorporated into law and practice.[1] The more significant ones are:

1. Increased Department of State influence on the coordination of military aid with foreign policy objectives.
2. Increased responsibility of the Unified Commanders and Country Teams in the planning and execution of programs.
3. Initiation of internal audits of military assistance programs.
4. Long-term planning of military assistance objectives.
5. Creation of an office of Assistant Secretary of Defense for the administration of military assistance programs.

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[1]For the highlights of the Draper Report, see Chapter V.

These recommendations resulted in more efficient planning of military assistance programs. Particularly important was the new system of decentralized planning, whereby programs were reviewed by all levels of the planning machinery from the President down to the Military Assistance Advisory Groups.

In order to understand more clearly both the planning and management of military assistance and the specific responsibilities of the planners involved, it is helpful to study the process which is employed to develop a new program of military assistance. For illustrative purposes, we will examine a hypothetical case wherein the Republic of China has requested American aid to replace the aging F-104 aircraft with a more modern weapons system, the F-111.

II THE MILITARY ASSISTANCE PLANNING PROCESS

Chinese military planners have determined that their F-104 aircraft are no longer adequate for the task of defending Taiwan. The obvious choice of an aircraft for replacement is the new F-111 weapons system. This aircraft is a versatile weapon which can be used for fighter defense in antiair warfare, for long-range and high-speed reconnaissance of the Asiatic mainland, and for conventional and nuclear strike operations. The Chinese desire to obtain a squadron of eighteen aircraft and associated support equipment, spare parts, and personnel training. Furthermore, they desire that the planes be supplied as grant aid. They therefore make a feasibility study of the employment of

the F-111 from Taiwan bases and present this study, together with a formal request for the aircraft, to the American ambassador.

Because the Chinese request would constitute a completely new aid program, and because of the magnitude of the assistance requested, the American Ambassador elects to forward the Chinese request directly to the Department of State. In cases where requests for assistance involve relatively modest sums of money and in cases of routine equipment and training requests, the Ambassador may choose to consult with his military advisors in the Country Team[2] and forward his recommendations not only to the Department of State, but also through the military chain of command to the Department of Defense. But because this request has significant strategic and diplomatic implications, the Ambassador has sent the request directly to the Department of State.

When the Secretary of State receives the Chinese request, he informs the President of it. The President consults with the National Security Council because of the financial magnitude of the request, the national strategic

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[2]The Country Team consists of all American organizations engaged in official covert government operations within a foreign state. These organizations include the diplomatic and consular missions; the United States Information Agency; representatives of the several American federal departments including Agriculture, Commerce, and Treasury; members of the Agency for International Development; and the Military Assistance Advisory Group.

factors involved, the political implications of granting such a new weapons system to an ally, and security risks involved in a possible loss of an aircraft to the Chinese Peoples Republic. The National Security Council advises the President that, subject to American priorities for the aircraft, the grant of the F-111 system to the Chinese is compatible with American national strategy objectives. Consequently, the President directs the Secretary of State to initiate a detailed study of the matter.

In Chapter VI, this study described the requirements written into the Foreign Assistance Act which the President is obliged to fulfill prior to the granting of foreign aid. In order to insure that this proposed grant to the Chinese Republic is compatible with the law, the Secretary of State initiates a study of the pertinent requirements. The following determinations are made:

1. The aircraft would be employed solely for legitimate self-defense under a mutual and collective security arrangement as sanctioned by the United Nations Charter;

2. The Chinese feasibility study indicates that appropriate provisions are guaranteed for the inspection of the airplanes and their security;

3. The Republic of China is making all reasonable efforts to enhance its own defense capability, but it is unable to afford the purchase of the aircraft and thus is not excluded from receiving this grant;

4. The Republic of China is not dominated by the international Communist movement;

5. The Republic of China does not deal with or aid Cuba;

6. The Republic of China has taken no steps to hazard American private investments in Taiwan;

7. The Republic of China has no aggressive plans against the United States or any other states receiving American foreign assistance.

But, in addition to insuring that these Presidential obligations are satisfied, the Secretary of State is also specifically charged by the Foreign Assistance Act with certain responsibilities regarding foreign aid, namely:

> Under the direction of the President, the Secretary of State shall be responsible for the continuous supervision and general direction of the assistance programs authorized by this Act, including but not limited to determining whether there shall be a military assistance program for a country and the value thereof, to the end that such programs are effectively integrated both at home and abroad and the foreign policy of the United States is best served thereby.[3]

Upon reviewing the foreign policy objectives as determined by the President and the National Security Council, the Secretary of State concludes that the proposed grant is in consonance with American national interests, and he gives preliminary approval to the grant.

During this phase of the grant planning, another executive official enters the planning process. He is the

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[3]F.A.A., Sec. 622 (c).

Inspector General, Foreign Assistance, who holds his office by Presidential appointment with the advice and consent of the Senate. He is charged with two broad responsibilities: (1) He must conduct audits of aid programs to determine that they are legal, efficient, and economically administered; and (2), he must insure that aid programs are in consonance with American foreign policy objectives.[4] The role of the Inspector General is extremely important. Not only does he insure that the letter and spirit of an aid program complies with the law, but he also serves as a staff advisor to all agencies that are involved in the planning and administration of an aid program. The value of this service cannot be underestimated. Very frequently, different echelons of a management structure are unable to maintain an adequate perspective of the end objectives of a program. The Inspector General and his staff are able to assist these various echelons in assuring that their plans and their management operations actually do fit into the "big picture." In this illustration, the Inspector General makes a preliminary study of the proposed grant and advises the Secretary of State that the program is in consonance with American foreign policy objectives. In addition, he will continually monitor the program to insure that it is legally and economically managed.

Once the Secretary of State has determined to study the feasibility of granting the Chinese request, he also

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[4]F.A.A., Sec. 624 (d).

advises the Secretary of Defense to make further evaluations. The Secretary of Defense is charged under the Foreign Assistance Act with certain duties:

1. The determination of military end-item requirements;
2. The procurement of military equipment in a manner which permits its integration with service programs;
3. The supervision of end-item use by the recipient countries.
4. The supervision of the training of foreign military personnel;
5. The movement and delivery of military end-items;
6. The performance of any other functions with respect to the furnishing of military assistance with the Department of Defense; and
7. The establishment of priorities in the procurement, delivery, and allocation of military equipment.[5]

As a result of recommendations offered by the Draper Committee, there was established, by a Department of Defense directive, an office of Assistant Secretary of Defense for International Security Affairs. This Assistant Secretary reports directly to the Secretary of Defense, and he is responsible to him for all aspects of military assistance program within the Department of Defense. Specifically, he is charged with responsibility for: "The development,

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[5]F.A.A., Sec. 623.

coordination and establishment of procedures pertaining to the Military Assistance Program; supervising, administering, and directing the Military Assistance Program; and planning, organizing and monitoring the activities of Military Assistance Advisory Groups."[6] Within his staff, his chief military advisor is the Director of Military Assistance. The Director's major responsibility is to insure that policies generated within the office of the Secretary of Defense for International Security Affairs adequately reflect the policies and needs of the three military departments.[7] In executing these responsibilities, the Director of Military Assistance serves in a liaison role, coordinating the military planning of aid projects between the three semiautonomous organizations which exist immediately below the Office of the Secretary of Defense. These three organizations are the Office of the Director of Military Assistance, the Joint Chiefs of Staff, and the Departments of the Army, Navy, and Air Force.

After studying the Chinese request, both the Assistant Secretary for International Security Affairs and the Director of Military Assistance concur that no serious impediments exist to granting the request, and thus extend their preliminary approval.

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[6] Information and Guidance on Military Assistance, p. 11.

[7] Harold A. Hovey, United States Military Assistance (New York: Frederick A. Praeger, 1965), pl. 141-42.

At the same time that the Secretary of Defense has informed his Assistant Secretary of the proposal, he also forwards the request to the Joint Chiefs of Staff in order to determine whether it is compatible with their overall strategic plans.[8] The Joint Chiefs of Staff study the proposal and evaluate it in the light of several factors which they must consider. They must insure that the plan supports their overall military objectives and that it contributes to a balance in the entire Military Assistance Program. Furthermore, they must determine when it would be feasible to schedule the transfer of the aircraft in light of American needs and priorities. Finally, they must determine whether they can supply the required personnel which must be provided for the Military Assistance Advisory Group to supervise the introduction of the F-111 aircraft into the Chinese Air Force.

Upon consideration of all these parameters, the Joint Chiefs of Staff conclude that the granting of a squadron of eighteen F-111 planes to the Chinese would be compatible with American global strategy, and they give their approval to the proposed grant. But, they recommend that the aircraft not be granted until fiscal year 1970 because of American priorities.

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[8] For a detailed discussion of the responsibilities of the Joint Chiefs of Staff relating to military assistance, see: Information and Guidance, op. cit., p. 10.

During the same time that the Joint Chiefs of Staff and the Assistant Secretary of Defense are deliberating the merits of the Chinese request, the Secretaries of the two military departments most concerned with F-111 aircraft also review the proposal. These two are the Department of the Navy and the Department of the Air Force. They also have particular responsibilities within the military assistance planning process.[9] They are responsible for budget estimates of the proposed grant, direction of the production plans and schedules of the aircraft manufacturers, acquisition of spare parts and support equipment for the aircraft, providing for personnel to man the Military Assistance Advisory Groups, and the training of the pilots, flight observers, and maintenance personnel. During their review of the proposed grant, the Department Secretaries and their military advisors can also express their objections to any aspect of the proposal. In this particular case, both the Department of the Navy and the Department of the Air Force have voiced their concern about the necessity of insuring that American service priorities are not compromised. After considering all the factors which lie within their purview, both of the Departments extend their approval of the proposed grant--but with the reservation that the aircraft not be provided until fiscal year 1970.

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[9]For a detailed account of the responsibilities of the Military Departments in the planning of military assistance, see: Information and Guidance, op. cit., p. 11.

When the Assistant Secretary for International Security Affairs receives the reports from the Joint Chiefs of Staff, the Navy, and Air Force, he then sends the proposal to the next lower level in the chain of planning. This level is the Unified Commander, and in this illustration the appropriate Unified Commander is the Commander in Chief, Pacific.

At each lower echelon of the planning process, the examination of the proposal is viewed from a more narrow perspective. This is exemplified by the more limited considerations of the grant which are made by the Commander in Chief, Pacific. His primary concern is to insure that a planned project within his geographic area supports the broad strategy which he has planned. In addition, he must insure that a new project supports the geographic balance of forces which he deems necessary. The secondary concerns of the Unified Commander relate to his more routine duties. He must provide for the administration and logistical support of the Military Assistance Advisory Groups within his area, and he must be responsible for the scheduling of equipment transfers, provisions for transportation of aid items, and all the other ordinary tasks associated with the movement, introduction, and support of military aid within his geographic area of command.[10]

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[10] Information and Guidance, op. cit., p. 12, and Hovey, op. cit., pp. 141-45.

Upon analysis of the new proposal, the Commander in Chief, Pacific, decides that new aircraft for the Republic of China would add to his military posture in the Pacific, and that they would support his strategic plans. He considers that the Chinese Air Force is a most valuable element of the Pacific military structure, and that in order to maintain its capabilities, new aircraft must be programmed for the Chinese as new technological advances dictate. Furthermore, he concludes that the deployment of a squadron of F-111 aircraft on Taiwan would position them in a most vital area of the American Asiatic defense perimeter and, in addition, would support American diplomatic and strategic credibility by indicating to the Chinese Peoples Republic that Taiwan is so vital to American interests that the Republic of China's Air Force will be continually provided with first line aircraft. Additionally, the Unified Commander determines that there will be no serious problems involved in supporting the Military Assistance Advisory Group on Taiwan in their work in introducing F-111 planes into the Chinese Air Force. As a result of his evaluations, he directs his Chief, Military Assistance Advisory Group, to initiate a study to develop a plan for the introduction of F-111's into the Chinese Air Force.

The chain of command in the military assistance planning process is a bilateral one between the President and the country teams. There is a correlation at the extreme top of the structure between the President, the National

Security Council, and the Secretaries of State and Defense. But from this top level, the command structure separates. Within the military group, it proceeds from the Secretary of Defense through three "pipelines" to the Joint Chiefs of Staff, the Assistance Secretary of International Security Affairs, and the Service Departments. These three "pipelines" maintain a coordination through the Office of the Director of Military Assistance. But from this level, the command structure again closes and these three levels all have a command responsibility over the Unified Commander. From the Unified Commander, the chain proceeds down to the Military Assistance Advisory Groups[11] of the Country Teams.

The other chain of this bilateral system, the civilian and diplomatic one, proceeds directly from the Secretary of State to the Ambassador, or the Chief of the diplomatic mission in the recipient country.

The Ambassador to the Republic of China, as the representative of the President, is the senior American official in Taiwan. In this capacity, he directs the operation of all American organizations,[12] including the Military

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[11] The duties and responsibilities of the MAAG's are discussed below.

[12] There are certain circumstances when American organizations within a foreign country are able to operate independently of the ambassador's direction. The most notable case exists when American military forces are engaged in combat operations within the country. Also, there have been press reports in recent years that ambassadors are frequently not apprised of the operations of the Central Intelligence Agency with the state where they serve. But for purposes of this illustration, it is assumed that the ambassador effectively controls all American operations on Taiwan.

Assistance Advisory Group. He is responsible solely to the President and the Secretary of State.

As soon as practical after the Secretary of State determined to make a detailed study of the proposed grant to China, he informed the American Ambassador in Taipei about it. As a result, the Ambassador is able to express his views on the matter. In fact, the drafters of the Foreign Assistance Act specifically intended that the ambassadors enter into the decision-making process concerned with military assistance. His duties in this regard are described in the Act:

> The President shall prescribe appropriate procedures to assure coordination among representatives of the United States Government in each country, under the leadership of the Chief of the United States Diplomatic Mission. The Chief of the diplomatic mission shall make sure that recommendations of such representatives pertaining to military assistance are coordinated with political and economic considerations, and his comments shall accompany such recommendations if he so desires.[13]

Although the Ambassador elected not to comment on the original Chinese overture and forwarded it unendorsed to the Secretary of State, he now chooses to advise the Secretary of his opinions on the granting of the aircraft. In his report, the Ambassador judges that furnishing a squadron of F-111 aircraft to the Chinese would have important advantages for the United States. It would aid in maintaining the very close diplomatic and military relations which exist between the United States and the Republic

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[13] F.A.A., Sec. 622 (b).

of China. It would contribute to the morale of the Chinese military personnel, because it would demonstrate American determination to support the Republic of China with the best military equipment available. It is also the Ambassador's judgment that the grant would contribute to the creditability of American determination to help protect its mutual defense allies. This factor is a most important consideration in Asia. Additionally, the Ambassador considers that the grant would in no way create diplomatic repercussions in any other friendly Asiatic state. All the other Pacific allies who have the technical experience to operate the F-111 are also economically able to purchase them rather than require a grant. And finally, the Ambassador relates that his military advisors, the military attaches, recommend the grant because it would materially and effectively contribute to the Allied military posture which supports the United States containment policy in Asia. In short, the Ambassador is completely in favor of the grant.

In our description of the coordinated decision-making process employed in military assistance planning, we have now arrived at the lowest echelon--the Military Assistance Advisory Group. This organization is the military component of the country team and may include members of each of the three military services. In purely military administrative affairs and in matters affecting essentially technical details and operations, the members of the Advisory Group may communicate directly with their parent military service via the Unified Commander. But save for these exceptions, and

in spite of the fact that the Chief of the Advisory Group is a representative of the Secretary of Defense, he and his group are still responsible to the Ambassador for all their operations within Taiwan.

The Military Assistance Advisory Groups, as the name implies, are stationed in recipient countries to offer guidance on military matters. They train the indigenous military personnel in tactics, military organizations, personnel training, and operation and maintenance of American-supplied equipment. In addition, the MAAG's are charged with making military assistance plans and programs in cooperation with the Ambassador, and with making recommendations to the Unified Commander concerning military assistance projects.[14] As a result of orders received from the Unified Commander and directives from the Ambassador, the Chief of the Advisory Group submits his analysis on the proposed grant. His review covers essentially technical details. He reports that he considers that the Chinese Air Force personnel are well-qualified and competent to operate and maintain F-111 aircraft with a minimum of special training. In fact, he is of the opinion that all the personnel training which will be necessary for the introduction of the aircraft can be accomplished within Taiwan, thus eliminating the requirement to send Chinese personnel to the United States. In addition, the Chief of the Group judges that the

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[14]Col. Clyde V. Pickell and Maj. Thomas C. Musgrove, "Investment in Security," Military Review, Vol. XI, December 1960, p. 55.

Chinese Air Force is sufficiently knowledgeable in matters of strategy and tactics so that they could effectively utilize the extensive capabilities for which the F-111 has been designed. Also, the Chief determines that there are adequate installations in Taiwan to operate a squadron of F-111's efficiently. Finally, the Chief has determined, by means of an independent study, that if the Chinese can receive eighteen aircraft by means of a grant, they can thereafter satisfactorily afford to operate the planes without special American financial support. In conclusion, the Chief of the Advisory Group reports that there are no impediments to the Chinese capability to operate and support the F-111 aircraft if they are made available.

We can now see, by means of this illustration, how a specific aid project may be programmed and how each echelon of the decision-making structures may become involved, from the President down to the American military personnel working with the recipient countries' military services. Each level of command has been able to evaluate the project and make its favorable or unfavorable recommendations. Thus far, we have seen in this particular demonstration that the project has received favorable approval. But the process is still not complete because, although the need and desirability of the grant has been established, the means have not. The means is Congressional approval, and this is accomplished by providing the aid money.

Now that nearly all of the elements in the planning process of military assistance have had an opportunity to

evaluate the proposed Chinese grant, their appraisal reports of it begin to flow in the direction opposite of that which have been reviewed. The Chief of the Advisory Group makes a report concurrently to the Ambassador and the Unified Commander. The Ambassador in turn forwards his recommendation to the Secretary of State via the diplomatic chain. The Unified Commander reports his findings concurrently to the Joint Chiefs, the Director of Military Assistance, and the Secretaries of the Navy and Air Force Departments, who thereafter advise the Assistant Secretary for International Security Affairs of their appraisals of the grant. Within the military organization, the Secretary of Defense makes the final military evaluation and, in turn, reports his conclusions to the Secretary of State.

Because of his legal responsibility, as the immediate deputy of the President in all matters pertaining to foreign aid, the Secretary of State makes the final summary report to the President, His report recommends that the Chinese be supplied one squadron of F-111 aircraft by military assistance grant. But, in his report, the Secretary concurs with his subordinates and recommends that the grant not be made available until fiscal year 1970.

When the President is finally advised of the results of the study, he may wish to advise the National Security Council of the matter to inquire if they have any final objections. Thereafter, if the President gives his approval to the grant, he directs the Bureau of the Budget to prepare plans to include the F-111 aircraft for China in the fiscal

year 1970 foreign aid request which will be presented to the Congress. If the Congress approves both the foreign aid bill and the appropriations bill, the aircraft will be made available to the Republic of China and the planning process will be complete.

III APPRAISAL OF ASSISTANCE PLANNING

This illustration has been a rather idealized example. Seldom are the issues influencing decisions on aid matters as simple as in this case. Problems which compound military assistance decisions may include: the ability of a recipient to use the aid effectively; determination of whether a recipient really requires a grant or whether the equipment should be provided by Military Assistance Sale; the effect of an aid project on third states; the determination of the effect that a given program has on overall American national strategy; the difficulty of obtaining Congressional approval for individual projects and the total foreign aid program; the determination of whether military assistance will be used by a recipient for domestic political ends which may have deleterious effects on American diplomacy, etc.

Although there are manifold problems involved in the management of military assistance, the planning process described in this Chapter, which was initiated with the Foreign Assistance Act of 1961, has several advantages which were not evident in previous aid planning. The major advance results from the coordination which is applied in planning.

Because all levels of the military assistance organization are involved, the end result is more sensitive to the overall aims of aid because each level passes judgment on a project or program. Each level injects its expert knowledge, and consequently one echelon may be able to make evaluations which escaped the other echelons. This results in a less rapid management cycle than would exist if only one level of the aid organization made all the decisions, but the time expenditure is more than balanced by the expert judgments generated through a review by the entire organization. Also, because the military services have such an influential role in the planning, they can help insure that each program will complement national military strategy rather than only serve political ends. In the same way, because all aid programs are under the administration of the Secretary of State (subject of course to Presidential direction), a means of checks and balances is maintained to insure that the aid also serves the political goals of American foreign policy. Another advantage of this planning process is that it permits each ambassador to take a part in the planning process. This procedure aids in enhancing the ambassador's prestige in foreign states. Additionally, this system results in better economy because of the broad review of plans. There are three elements of the organization which are primarily interested in audit evaluation: the Inspector General, Foreign Assistance; the Bureau of the Budget; and the General Accounting Office. These groups are basically concerned with the legality and

economic appraisal of the programs, and thus help assure that projects and programs are not wasteful.

A final advantage of this military assistance planning process is one which has been shown only by implication. It is the process whereby aid programs are scheduled in long-range. These plans, the World-Wide Basic Planning Document, are formulated for five years in advance and are planned jointly by the Assistant Secretary of Defense for International Security Affairs and the Bureau of the Budget. This document is not only continually reviewed by all the organizations described in this Chapter, but, because it is created for a five-year period, each project contained in it is reviewed each year, resulting in five detailed examinations prior to its initiation. This five-year planning permits adequate lead time for administrative review, materiel procurement, development of military sites and installations, and personnel training for new weapons. But in addition to these advantages, this five-year planning offers more realistic and clear concepts which aid in obtaining Congressional approval for aid programs.[15]

Although there certainly is room for improvement in the management of foreign assistance, great strides in efficiency have been made in recent years. In the words of

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[15]For a detailed appraisal of the five-year planning process, see Arnold Kotz, "Planning for International Security," Public Administration Review, Vol. XXII, No. 1, Winter 1962, pp. 213-220.

one administrator, Gen. W. B. Palmer, U. S. A., who has been intimately connected with planning as past Director of Military Assistance:

> And it is a fact, in my professional judgment, that our military assistance is being used with steadily improved efficiency to produce increasingly effective forces, even though that same judgment also tells me that there is hardly a country where the forces are yet up to the standards of United States forces in tactical and logistical effectiveness. They started practically from zero effectiveness and they are immensely more effective than they were.[16]

IV SUMMARY

The Draper Report pinpointed a number of deficiencies in the American foreign aid program. As a result, several new management procedures were incorporated into the Foreign Assistance Act, and other new techniques were employed in foreign aid administration. The most important management change was the decentralization of the military assistance planning process. This new procedure was designed to enable all echelons of the military assistance organizations to evaluate projects and programs and to take a constructive role in planning. As a consequence, military assistance programs are planned and reviewed from the top to the bottom of the organization--from the President through the National Security Council, the Secretary of State, the Secretary of Defense, the Assistant Secretary of Defense for International

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[16] Gen. W. B. Palmer, "Military Assistance Program: A Progress Report," Army Information Digest, Vol. 17, April 1962, p. 44.

Security Affairs, the Joint Chiefs of Staff, the Secretaries of the Service Departments, the Director of Military Assistance, the Unified Commander, the Ambassador, to the Chief of the Military Assistance Advisory Group.

This decentralized planning process insures that all organizations administering military assistance have the opportunity and obligation to critically evaluate the military assistance programs, thus assuring that there is a minimum of unrealistic programming. Besides this decentralization of review and decision making, another procedure which has been developed to help insure efficient management is the audit system employed within the Foreign Assistance Act. The Act established an office of Inspector General, Foreign Assistance, who operates within the Department of State and is charged with the responsibility of reviewing all foreign aid programs to insure that they are administered in accordance with existing law and sound business practices. The Inspector General, the auditors of the Service Departments, the Bureau of the Budget, and the General Accounting Office help insure that the Military Assistance Program is managed as efficiently as possible.

In addition to this decentralized planning and constant auditing, another feature of the contemporary foreign aid administration is long-range planning. By this procedure, a World-Wide Basic Planning Document is prepared by foreign aid planners in which programs are developed for a five-year period. This Document is also reviewed each year prior to a final decision on a given project or program.

As a result, each program is analyzed five times prior to ultimate implementation. This long-range planning not only insures adequate lead-time for personnel training and weapons production, but it also helps in obtaining Congressional approval for foreign aid appropriations.

These three management techniques--decentralized planning, continuous audit, and long-range planning--have resulted in a management system which is distinctly more efficient than previous programs and more sensitive to the needs of American policy planners and recipients.

CHAPTER VIII

MILITARY ASSISTANCE AND NATIONAL SECURITY

The effect of military assistance on National Security Policy has been shown by implication in the preceding chapters. Although it is not within the scope of this study to evaluate the present American strategy, nor to offer alternatives to it, it is possible to describe how military assistance adds to the flexibility in planning which is available to the national and military strategists and to cite several specific advantages which accrue to strategists because of military aid.

The most fundamental national interest of the United States is American national security--the requirement to maintain American territorial integrity and political independence. It soon became patently obvious after World War II that American security was in danger as a result of Soviet designs to acquire hegemony over all of Europe. Had the Soviets gained control of all of Europe, it would have given them an industrial and manpower potential exceeding that of the United States with the result that the balance of world power would probably have fallen irrevocably to the Soviets. Consequently, it became a vital interest of the United States to maintain its balance of power equality with the Soviet Union. From this national interest grew the objective of preventing the expansion of Soviet control and

influence in Europe beyond that which the Soviets had already gained as a result of World War II conquest.

As the confusion resulting directly from the War diminished, the first glaring examples of Soviet expansion were manifested by attempts to conquer Greece by supporting guerrilla warfare; and by attempts, by means of political pressure and intimidation, to force the Turks into granting territorial concessions and navigation rights through the Straits. In response to these Soviet moves, the United States developed a policy of opposing Soviet expansion, and the policy was enunciated in a speech by President Truman on March 12, 1947, which came to be known as the Truman Doctrine. From this Doctrine, the containment policy was developed.

The first significant commitment to support this containment policy was the Greek-Turkish Aid Program of 1947. The striking success of the Program in preventing Soviet achievement of their Greek and Turkish objectives justified the validity of the policy, and the experience demonstrated the feasibility and necessity of maintaining pressure against any possible Soviet expansion. Consequently, the containment policy was expanded into a forward defense strategy whereby the United States sought to create effective and credible military forces along the Soviet perimeter. Then, with the rise of a Communist state in China, the same strategy was employed in Asia against Communist China.

In order to implement this forward defense strategy, the United States undertook commitments to extend economic,

technical, and military aid to those American allies which could help develop the military forces required to oppose Soviet and Chinese military power. This military assistance created several distinct advantages to planners of American National Security Policy.

I SHARING MANPOWER

One of the greatest advantages which had accrued to the United States as a result of military assistance is the vastly greater amount of manpower which is maintained under arms and which is available to counter Communist armies. Even if the United States chose to accept the direct financial costs of maintaining military manpower levels at two or three times the size of current forces,[1] the price involved would be heavy because industry would lose a significant portion of the youthful, healthy, and generally well-educated men who are required for military service. Therefore, because military assistance and Supporting Assistance enables the American allies to maintain large military establishments, the need for the United States to

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[1] As an example of the financial savings gained by the subsidization of foreign troops, one may compare the relative costs of supporting an American soldier with the costs of supporting a foreign one. The average yearly cost of maintaining one American is $3,943; one Japanese is $917; and one Chinese on Taiwan is $194. Source: United States Congress, House of Representatives, Committee on Appropriations, Hearings Before the House Committee on Appropriations, Foreign Operations Appropriations For 1965, Part 1, 88th Congress, 2nd Session, Washington: Government Printing Office, pp. 461-62.

maintain manpower levels equal to those of the Communist states is eliminated.

II GEOGRAPHIC ADVANTAGES

A second advantage accruing to American strategists as a result of military assistance is the ability of the United States to position military forces on the Sino-Soviet borders in order to implement the forward defense strategy.[2] These forces are both allied and American. By the granting of military assistance, the United States has actually been able to create indigenous armies in those states which border China and the Soviet Union. Of equal importance is the fact that these aid-recipient states also permit the United States to deploy American forces on their soil as a quid pro quo of American aid. Considering United States' lack of overseas possessions, this ability to deploy American forces throughout the Sino-Soviet perimeter is of vital importance to American security. Without the presence of American power and influence in these forward areas, it is reasonable to assume that these areas would have fallen into the Communist orbit by default. The only alternative to an American presence and American treaty guarantees would be the

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[2]American military assistance recipients are situated along virtually the entire perimeter of the Sino-Soviet bloc. Those states which directly border these Communist states are: Norway, the Federal Republic of Germany, Greece, Turkey, Iran, India, Burma, Laos, South Vietnam, and the Republic of Korea. Other states very near the perimeter which provide strategic locations are the European NATO countries, Pakistan, Thailand, the Republic of China, and Japan.

reliance on, or use of, strategic nuclear warfare--the only strategy the United States would be able to employ if foreign bases and forces were unavailable. As an example of the importance of this concept, the mere presence of token American forces in Berlin ipso facto makes Berlin a vital American outpost which would involve a direct American-Soviet confrontation if the Soviet Union chose to initiate hostilities in or about the city. Consequently, American presence throughout the world enables American strategists to employ more flexibility in planning than would be possible without this American overseas deployment. The only alternative available would be the "Fortress America-strategic nuclear warfare strategy" that would be the least flexible and most rigid of American alternative national strategies.

There are other subsidiary advantages that accrue as a result of American-created military forces and American presence overseas. American armies give visual evidence of American presence and interest in local populations. In many cases they contribute to the goodwill existing between the United States and its allies. It is granted that there is validity in the adage that "familiarity breeds contempt," but it is also true that exposure of Americans to foreign peoples helps to create a greater sense of mutual understanding and communication.

III PLANS AND POLICY

A further advantage that American policy makers and strategists gain as a result of military assistance is the ability of the United States to shape the national policies and military strategies of American aid-recipient allies. This can be accomplished in two basic ways. In the first instance, in a quantitative manner, the very fact that the United States grants any military assistance to a country permits the United States to gain some influence in the policies of the recipient. The influence may be both direct and indirect. In the direct sense, the influence may induce the recipient country to formulate plans and policies which are complementary to American objectives. As an example, by extending military assistance to Japan, the United States has induced the Japanese to build a military establishment whose capabilities supplement those of the United States, and are directed toward the Commnunist states of China and the Soviet Union. In the indirect sense, military aid granted to a foreign state may not support a military establishment which is directly allied with American forces against a Communist state, but the resulting foreign military establishment may be used by the recipient to promote its independence from Communist domination. A prime example of this negative influence is in the case of Yugoslavia. Although military assistance extended to Yugoslavia in the late 1940's and early 1950's did not induce Tito to join the North Atlantic Treaty, it did enable the Yugoslavs to chart

an independent course in Europe and thus denied to the Soviets complete domination over that country.[3]

In a qualitative sense, the United States maintains a control over the policies and strategies of recipients as a result of the kind of equipment and training extended. By selectively granting assistance, the United States can determine the composition, strength, and employment strategy of recipients' military forces. As an example, American strategists have determined that a large mutual defense land army situated in eastern Asia, as a counterpoise to Chinese armies, would be of vital assistance in deterring Chinese aggression. In order to create such a force, the United States has granted the kinds of materiels and training to the Republic of Korea that has enabled the Koreans to exploit their great manpower resources and build a great land army. On the other hand, the assistance provided for the Korean Navy and Air Force is relatively small. If American strategists determined that a greater emphasis would be required in air capabilities on the part of the Koreans, the United States could then undertake to create a larger Korean Air Force and decrease the strength of the Army. Thus it can be seen that the nature of the military assistance

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[3]In the late 1940's, the aid extended to Yugoslavia consisted of credits, raw materiels for its armament production, and food supplies for its troops. But in March 1951, Yugoslavia was permitted to purchase military aircraft from the NATO powers; in April 1951 France granted arms to Yugoslavia; and in June 1951 the United States sent more than $1 million worth of arms to that country. Brown and Opie, op. cit., pp. 426, 427, 498.

granted can determine the composition of forces and their employment by recipients. The importance of these facts can easily be underestimated. In the words of William R. Kintner:

> The influence of the United States military assistance program on the forces structure of many of our allies has led to an intertwining of military, political, and economic decisions at the seat of our government in Washington.[4]

IV PROPAGANDA

One of the most valuable products of military assistance is the benefit which the United States gains from the training and education of foreign military personnel under the provisions of military assistance programs. The total number of personnel receiving training is enormous. In 1961 alone, some 18,000 foreign military personnel received some type of American training, lasting from as little as one week to as long as several years--the average period being about six months. The total for the years between 1950 and 1959 reached more than 100,000. This training was conducted at over 140 American military installations and civilian installations in over thirty different states. In addition, formal training is also conducted at special American-operated schools outside the United States, a notable example being the Latin American schools conducted by the Army and Air Force at American bases in the Panama

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[4] William R. Kintner, "The Politicalization of Strategy," National Security, David M. Abshire and Richard V. Allen, (ed.), (New York, London: Frederick A. Praeger, 1963), p. 389.

Canal Zone. And finally, there are over 4,000 Americans conducting a myriad of formal and informal training programs overseas under the Military Assistance Advisory Group programs.[5]

These training and education courses provide two broad advantages for the United States. In the more obvious context, the foreign students learn the technical skills which are necessary to operate American equipment. Also, the training provides indoctrination in the American concepts of tactics and strategy. Understanding these principles enable the foreign military services to integrate their operational forces with American units in a more effective manner than would be possible without such indoctrination. As a result of this technical training, American strategists can make more meaningful appraisals of the military capabilities of our aid-recipient allies. Furthermore, the choice and development of curricula can assist in shaping the tactics, strategies, and policies of these allies.

But in addition to these more obvious advantages, there is the less tangible asset resulting from foreign students' exposure to American society while residing in the United States, and from the formal courses of study taken in service and civilian institutions. Although the benefits derived from residence and study in the United States

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[5]Committee on Educational Interchange Policy, Military Assistance Training Programs of the U.S. Government (New York: Institute of International Education, Inc., 1964), pp. 6-15.

is valuable in developing understanding and rapport among the enlisted personnel of American and foreign services, it is the foreign officer corps which serves as the most fertile soil for American indoctrination. In many newly emerging and underdeveloped states, the military is frequently the only stable elite which exists, and it is these military services which maintain the vitality and stability of their governments and the direction of the indigenous polity. The opportunity to educate these officers at senior American military colleges can have a significant effect on the national and strategic orientation of these foreign states. American indoctrination programs can help to ameliorate the xenophobic and chauvinistic attitudes of foreign officer corps and help them develop a realistic perspective of American interests and policies. As a consequence, these officers may be expected to cooperate more readily in the execution of American global strategy.

As an example of the influence which foreign officers frequently hold and gain in foreign states, one may examine briefly the case of foreign naval officers attending a ten month course at the United States Naval War College.[6] In 1957, the Navy created a new program, the Naval Command Course, which was designed exclusively for the officers of allied navies in the rank of captain and senior commander.

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[6]The information and details of the Naval Command Course were obtained in an interview, in November 1965, with the Plans Officer of the Naval Command Course, United States Naval War College, Newport, Rhode Island.

This course is basically oriented around a study of sea-power, but it also has a heavy emphasis on international affairs. In addition, the syllabus of the course provides for several lengthy field trips throughout the United States in order that these foreign students may visit various military installations, industrial plants, business organizations, and government activities. During these trips, the foreign officers are hosted by influential members of American society, business, military, and government. Since the beginning of this course, 231 foreign officers have been graduated from the Naval Command Course through Spring 1965; of these, 56 have attained flag rank, 12 have become the equivalent of the Chief of Naval Operations in their navies, and 1 has served several months as president of his country.

Each year the Naval War College prints a newsletter which is sent to each of the graduates of the Naval Command Course. This letter is compiled from responses to questionnaires sent to each of the graduates in which they are asked to describe their military activities. The graduates invariably comment on the value of their study at the Naval War College, and the consistently favorable responses seem to preclude the possibility that these acknowledgments are less than honest appraisals and flattering gestures of goodwill. Of significance is the fact that many graduates indicate that, in their professional duties, they are meeting an ever-increasing number of contemporaries from other countries who are also Naval War College graduates. Through this program, the United States gains several valuable

advantages. The course provides an opportunity to give these officers both direct and indirect indoctrination into American concepts of strategy, political philosophy, and national interests, goals, and objectives. The assumption motivating this indoctrination is that when foreign officers can be clearly shown American purposes, they are better equipped to make judgments about American conduct, and are more likely to gain an empathy with Americans. Not only does this course help provide cooperation between American and foreign officers, but with the increasing number of graduates, these officers can better communicate with each other in affairs that are not directly associated with their relations with the United States.

With the necessary format variations, similar programs exist for foreign officers in each of the senior service colleges.[7] By means of this military assistance education, the United States has created a cadre of foreign military officers who have had a first-hand opportunity to study American national security interests, policies, objectives, and commitments and have gained the knowledge which enables them to make realistic appraisals of American conduct in world affairs. Furthermore, these foreign service personnel are extremely better equipped to combine their services with American units because of their understanding

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[7]For a list of American military schools which conduct training and education for foreign service personnel, see: Committee on Educational Interchange Policy, op. cit., pp. 26-28.

of American strategy and tactics and because of the English language proficiency they have acquired through residence in the United States. Finally, because of their exposure to the United States and American people, they gain an understanding of the United States and its people which would be impossible to acquire by study in their own countries. As a result of all these factors, there is the official assumption, and this researcher agrees with it, that these American-educated foreign military are not only better prepared professionally, but are also predisposed to cooperate effectively in the planning and execution of global strategy designed to protect American national security and the national security of our mutual security allies.

V EQUIPMENT STANDARDIZATION

A further effect on American national security plans which military assistance has provided is in the standardization of arms between the United States and its allies. The kinds of equipment which is mutually being used by the United States and its allies varies from small side arms to complex weapons systems such as fleet ballistic missiles and aircraft weapons systems.[8] Although it might appear that this reliance on American equipment would limit the flexibility of procurement and planning by our allies,

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[8] For unclassified examples of the kinds of equipment which is jointly used by the United States and its recipient allies, see: Information and Guidance, op. cit., pp.127-30, and Hovey, op. cit., pp. 151-168.

actually a considerable amount of American-designed equipment is produced in foreign countries by means of military assistance agreements.

The standardization of equipment results in several important advantages for both the United States and its allies. It reduces development and production costs because, by joint use of a given weapon, costly expenses related to providing two different weapons to perform similar functions is eliminated. Furthermore, logistical problems are considerably reduced because parts inventories required are considerably less for one system than for several. Also, with standardization of equipment, parts availability is enhanced because appropriate inventories must be maintained by each country, and thus are available for exchange between allied services.

Another advantage is the decrease in time and cost expenses involved in training. As an example, the Federal Republic of Germany is able to train its fighter pilots at a United States Air Force Base which trains Americans to fly the same aircraft, the F-104, used by both the United States and Germany. This procedure results in significant savings for the Germans, who may then use the savings for other mutually advantageous defense expenditures.

An additional advantage of standardization is that tactical and strategic planners are readily familiar with the operational characteristics of standardized equipment, and thus can develop more realistic plans than would be possible if each of the American allies had its own

completely unique equipment. Also, as a corollary of this fact, standardization improves the ability of allies to communicate on technical matters.

As a result of these benefits of standardization, largely derived from provisions of military assistance, American strategy planners gain increased flexibility. They are aware of the capabilities of weapons employed by recipients; they are able to program weapons to recipients which will best contribute to the overall strategic posture of both the United States and its allies; they have fewer logistics problems involved in planning; and the financial, time, and manpower savings resulting from standardization can be employed in other areas to increase alliance defense posture.

VI STRATEGIC RAW MATERIELS

Partly by means of military assistance grants, the United States has been able to both insure continual access to many of the world's strategic raw materiels and to deny effective access of many resources to Communist powers. A significant example is the oil of the Middle East. In Chapter II it was shown that military and economic aid to Greece and Turkey since 1947 has enabled those two states to maintain their independence. In addition, in the late 1940's the United States extended aid to Iran to insure that the country could maintain its political independence in the face of continuing Soviet efforts to gain influence and control of the country. Partly as a result of this military

assistance, the United States has been able to deny to the Soviets effective expansion into the Middle East. As a consequence of this successful containment policy, which was largely implemented by military assistance grants, the Western states have been able to continually maintain access to the oil of the Arab states and deny effective access of the oil to the Soviet Union.

This containment policy is, in a sense, indirect in nature, but military aid has also had a direct effect. The United States has granted military assistance to Iraq, Lebanon, Libya, Saudia Arabia, and the United Arab Republic. In a positive sense, this aid has been able to purchase access to Arab oil supplies. As a quid pro quo of aid, the United States has at least tacitly required that Western oil interests are granted appropriate considerations and concessions by these Arab states.

Although it is admittedly impossible to assess accurately the degree of influence which military aid has had in enabling the United States to maintain access to the world's raw resources, it has some bearing on American success in this pursuit in many situations. Today the United States is able to obtain easily the world's essential minerals and chemicals. The importance of these materials is frequently underestimated. The United States is obliged to import between ninety and one hundred per cent of the following vital war materials: rubber, antimony, platinum, nickel, cobalt, beryllium, manganese, diamonds, chrome, and tin. In addition, more than half of the American

requirements of bauxite and tungsten must be imported.[9] Each of these raw materials is absolutely vital for the manufacture of modern armaments. As an example, in a typical American jet aircraft, the following metals are required for production and the percentage of the metals which are imported are as follows: chromium, 92 per cent; nickel, 97 per cent; aluminum, 76 per cent; cobalt, 88 per cent.[10] It is self-evident that without these raw materials, the United States would be unable to build the necessary military establishment which is necessary to support the American national interest.

Although it is granted that many factors affect the ability of the United States to obtain the vital resources of the world, military assistance aids in the acquisition. It is accomplished in two basic ways: by denying the land in which the resources lie to Communist control, and by obtaining access to the resources as a return for the grant of aid.

VII SUMMARY

The most fundamental interest of the United States is national security--territorial integrity and political independence. In order to insure American national security,

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[9] Norman J. Paddleford and George A. Lincoln, The Dynamics of International Politics (New York: The Macmillan Company, 1964), p. 69.

[10] Frederick H. Hartmann, The Relations of Nations (second edition; New York: The Macmillan Company, 1962), p. 54.

the United States has formulated a policy of containment of Communist powers--mainly the Soviet Union and, secondarily, China. These powers represent a threat to American security because of their actual and potential national power and because of their stated policies of destroying democratic states. In order to implement the containment policy, the United States has formulated a forward defense strategy which is designed to restrict Communist power to those areas it presently occupies. Additionally, the United States has created an alliance system composed of states whose security is also threatened by Communist power. In order to make the military power of these allies credible, the United States has granted military assistance to these states. Because of the resulting strength of these alliance states, the United States has enjoyed a flexibility in formulating American national security strategy and policy.

Many specific benefits have accrued to the United States as a result of the military assistance grants. Military assistance enables the United States to act as the leader of a coalition of non-Communist states which has a vast reservoir of manpower and arms. In addition, military assistance helps the United States in gaining access to lands lying along the Sino-Soviet border; a sine qua non of the forward defense strategy. By means of making selective grants of military aid, the United States has acquired a significant influence in the formulation of national policies and strategies of our aid-recipient allies. By means of the training and education programs conducted under

military assistance projects, the United States is able to indoctrinate our allied officers on American strategy and policy goals and is able to create the educational atmosphere which tends to make allied personnel sympathetic toward American policies. The standardization of equipment and training resulting from military assistance programs also supports American national security policy formulation because it permits more effective integration of allied forces. And finally, military aid helps the United States gain access to the raw materials which are essential for producing the allied military establishments which serve as the ultimate tool of American national strategy and foreign policy.

CHAPTER IX

MILITARY ASSISTANCE AS A TOOL OF DIPLOMACY

I RELATIONS WITH WEAK STATES

The Secretary of State, under the direction of the President, is designated by law as the American official primarily responsible for the overall direction of all foreign assistance, including military assistance. With this authority, the Secretary has a valuable tool for the implementation of American foreign policy. And, by the use of this tool, the United States can exert a significant, frequently vital, influence on recipient states. The most notable current example is South Vietnam. Today the country is under an overwhelming influence of the United States because of its reliance on American foreign assistance. The viability of any Saigon regime is entirely dependent on American financial aid, and that government's war against the Viet Cong is wholly contingent on American military supplies and, to a great extent, on American military guidance and leadership. The very existence of South Vietnam as a sovereign state is predicated on the continuance of American assistance; for, if American aid should cease, there is no other country in the Western Bloc which would be capable or willing to support South Vietnam's economy and military operations. Thus, American military

assistance provides what is probably the most influential diplomatic tool of the United States in its relations with South Vietnam--and as a consequence, with all of Southeast Asia.

A similar example could be cited in the case of the Republic of Korea. Continued American military aid and Supporting Assistance is a sine qua non of Korea's ability to maintain its integrity as an independent nation. Should American assistance cease, Korea's military establishment and economy would collapse and the country would be vulnerable to any renewed aggression by the North Koreans, abetted by the Chinese. As a result of this immense reliance on American aid, the United States enjoys a most favorable influence over the Government of South Korea. These two cases demonstrate how influential military assistance is as a tool of American diplomacy vis-a-vis aid-dependent states.

II RELATIONS WITH STRONG STATES

Even strong powers are influenced by American military assistance. When, in 1962, the United States opted to discontinue the development of the Skybolt air-to-ground missile system, the decision caused considerable frustrations and annoyance in Great Britain because that country had intended to purchase the Skybolt system and to employ it as the second generation strategic striking weapon.[1] The

[1] News item in the New York Times, December 7, 1962.

MacMillan Government came under severe political criticism from the opposition party and the press. In addition, relations between the United States and Great Britain became tense. It was only President Kennedy's offer to Britain to assist her to obtain and develop a Polaris ballistic missile system that ameliorated the strained relations. Thus, by the use of military grants and sales agreements to supply the Polaris system, President Kennedy was able to make use of a powerful diplomatic tool to insure continual cooperative relations with a great power ally.

Although the above cases are rather dramatic examples of the importance of military assistance as a tool of diplomacy, the less publicized and more subtle means of using military aid as a diplomatic lever may have an even greater cumulative effect. The great mass of American influence on foreign nations, and concomitantly on American diplomacy, results not from spontaneous and obvious situations and incidents, but from the influence the United States has gained over recipient nations as the result of aid treaties and agreements. There are strings attached to all gifts--military assistance included. Consequently, a review of the various agreements the United States concludes with recipients of military assistance will give an insight into the influence the United States can wield with these countries.

III AGREEMENT STIPULATIONS[2]

In the period immediately following World War II, the United States had few restrictions attached to military assistance, but with increasing Congressional review and criticism of foreign aid, and with the improved administrative procedures which developed with time, control over assistance became more exacting. In Chapter VI of this study, eligibility requirements for assistance contained in the Foreign Assistance Act were described. Many of these eligibility criteria require that the recipient country enter into formal agreements with the United States which specify the conditions under which the United States will grant the aid. An examination of some of these contracts will demonstrate their importance as tools of American diplomacy.

VESSEL LOAN AGREEMENTS

Because of the unit cost involved and because of the relatively long service life of combat ships, the Congress has reserved for itself the right to make the final determination on the feasibility of granting or loaning naval vessels to foreign states. As a result, each grant or loan requires a separate and special act of Congress.

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[2]Details of these agreements are generally classified. The information contained in this section on agreement stipulations has been acquired from an unclassified source: Information and Guidance on Military Assistance, op. cit., pp. 76-78.

Consequently, the Congress is able to stipulate the exact provisions to be contained in each transfer of a naval vessel and is able to require the recipient state to agree in particular detail to certain conditions, such as the period of the loan, the employment of the vessel, the disposition and care of the integral and auxiliary equipment, etc.

COST-SHARING AGREEMENTS

As recipients of American military assistance have become more affluent, they have been able to afford an increasing share of the cost of military items which they require. But in most cases, they still have not been able to develop the industry and technology which permits them to manufacture complete weapons systems. Consequently, the United States may find it advantageous in certain cases to provide recipient states certain parts of a given weapon system and permit the recipient state to complete the system with its own components. But prior to granting part of the system, the recipient state must agree to enter into a cost-sharing agreement wherein the United States is able to specify the use of the completed system and the share of the costs to be borne by both the United States and the recipient. An example of such an agreement is one which the United States entered into with Norway. That country was able to produce a basic naval vessel but was unable to manufacture the modern weapons needed to equip it. Under a cost-sharing agreement, the United States provided those

components of the vessel which the Norwegians could not. Because the American equipment was provided by means of military assistance grants, the United States required a cost-sharing agreement which specified the employment of the completed ship and the prorated costs to be borne by both states.

FACILITIES ASSISTANCE AGREEMENTS

In 1954, the United States initiated a program to provide technical and financial assistance to Western European states in order that they could reestablish and expand their ordnance industries. In return for this military aid, the recipient states were obliged to agree to American conditions which prescribed that the products of these industries would be made available to all NATO members at reasonable and non-discriminating prices. In addition, the United States was able to establish the criteria under which the products of these states could be sold to other non-Communist countries.

WEAPONS PRODUCTION AGREEMENTS

The Facilities Assistance Agreements were designed to subsidize the production of basic armaments and explosives. As technological advances occurred, it became desirable to foster the manufacture of more sophisticated armaments by the NATO allies. Consequently, Weapons Productions Agreements were initiated in order to assist Western European states to manufacture more advanced weapons than were planned under the Facilities Agreements. The Weapons

Production Agreements differed from previous ones primarily in the nature of the armaments produced. They also provided for continuation of essential programs established under the Facilities Agreements.

MUTUAL WEAPONS DEVELOPMENT PROGRAM AGREEMENTS

The two previous programs provided military assistance in order that American allies could build weapons which had already been developed by the United States. By means of these Development Agreements, the United States began to assist allies to develop and build advanced weapons systems. This is done by granting financial and technological assistance for research and development costs of weapons systems which have yet to be created. But these agreements still permit the United States to have a significant influence in the manufacture and disposition of the resulting mutually developed armaments. These agreements indicated the growing technological competence of our allies.

OFFSHORE PROCUREMENT AGREEMENTS

Because of lower production costs in foreign countries and because the United States desires to assist the economic growth of our allies, the United States has undertaken to enter into Offshore Production Agreements with certain states, whereby these countries manufacture selected military products for use by the several states which are members of mutual defense alliances. Certain costs of production, under these agreements, are provided by military

assistance funds. In return, the recipient states must agree to specific American requirements which include: quality standards, cost limitations, security criteria, storage arrangements, the priorities for allocation among the allies, etc.

DISPOSITION OF EXCESS AGREEMENTS

These agreements provide rules for the final disposition of equipment and supplies provided under military assistance when the aid articles are no longer useful. When recipient states accept American aid, they are obliged to conclude these agreements which allow the United States to determine whether American-supplied equipment must be returned to the United States, may be sold to third states, or may be scrapped. In addition, these agreements provide for possible compensation to the United States if the articles or supplies are sold or destroyed for scrap. If the United States desires, any proceeds from sale or scrap must be used to enhance the recipient state's mutual defense capabilities.

MISSION AGREEMENTS

Since 1926 the United States has provided American military officers and enlisted men to Latin American countries in order to assist the Latins in the training of their military services. These American detachments serve in the same capacity as the Military Assistance Advisory Groups which have been established in other countries since the end

of World War II. By means of these Mission Agreements, the United States is able to exert some diplomatic influence in the state which requests and receives their services.

MILITARY ASSISTANCE ADVISORY GROUP AGREEMENTS

These contracts specify the degree of control and direction which the American military personnel may enjoy over the military services of the recipient states. In some countries, such as South Vietnam and Korea, the control over the indigenous military establishments is extensive; whereas in other states, the Advisory Groups serve mainly as business representatives of the Department of Defense. In general, the more developed and powerful a state is, the less direct influence the Advisory Groups have within the country.

TAX RELIEF AGREEMENTS

In the past, the United States experienced the paradoxical situation in which some recipient states levied import taxes on the aid received under military assistance programs. In order to preclude such anachronisms, the United States presently requires that recipient states enter into agreements with the United States to waive any taxes on grants of equipment, supplies, or facilities provided.

PATENT AGREEMENTS

These agreements provide for disclosure of patented and technological information on defense matters to mutual defense allies. In return for the information, recipients

are obliged to protect the patented information and to assure the security of the classified information. Finally, these agreements contain provisions for compensation to the American patent holders.

ATOMIC ENERGY AGREEMENTS

The United States makes certain classified atomic information available to NATO allies. By entering these agreements, these allies must assure the United States that the information provided is treated with the standards of security which are outlined in the Atomic Energy Act of 1954.

Each of these agreements represent some facet of military assistance and, because they are negotiated by the Department of State, they are used as tools of diplomacy. They demonstrate the extensive influence which the United States is able to employ as a result of various military assistance programs. In return for each grant, sale, loan, exchange, or service which is provided to allies, the United States is able to acquire some kind of specified advantage or concession which is legally binding by means of a treaty or contract. But in the realm of international politics, the United States also gains diplomatic advantages and leverage by demands which supersede these legal contracts. The United States can impose diplomatic pressure on a recipient state to comply with a course of action or a policy which the United States desires.

As an example of such political leverage, the United States can not only specify the use of military aid, but can

also prohibit its employment in certain cases in the interest of American foreign policy. Consequently, military aid extended to Portugal is specifically excluded from being used in Angola or Mozambique. The purpose of this prohibition is obvious; it alleviates criticism from independent black African states that the United States is aiding and abetting a colonial power in suppressing black Africans. Similarly, military aid to Latin America incorporates certain prohibitions of use. The aid may not be used for internal security purposes unless the threat to security originates from outside the hemisphere. The aid may not be employed to crush indigenous revolts. Here again, the United States desires to avoid the criticism that America supports totalitarian regimes which may currently be in power and with which the United States is obliged to deal. Also, it helps avoid the criticism that the United States is inordinately involved in domestic Latin politics.

Another diplomatic role of military assistance is its use in the pursuit of world peace outside the realm of the East-West confrontation. When conflicts arise between states which are closely or nominally allied with the United States, the threat of or actually halting of military aid may be used as a diplomatic device to help resolve the disagreement. In the case of the Cyprus issue, the United States was a military ally of both Greece and Turkey, two of the parties involved in the dispute. By the threat of ceasing military aid to these two states, the United States was able to use

military assistance as one sort of deterrence to a Greek-Turkish war.

Probably a more significant example of this kind of diplomatic influence was the case surrounding the war between India and Pakistan over Kashmir in 1965. Prior to the conflict, Pakistan was a firm American military ally and it received the vast majority of its military equipment from the United States. Although India was ostensibly "non-aligned," that country received extensive American economic aid and this assistance indirectly helped the Indians maintain their large army. Also, the United States had contributed some military equipment to India following the Chinese invasion of India in 1964. When the war erupted between India and Pakistan, the United States made strong public statements indicating that the United States would halt all military aid to both countries until they resolved their differences.[3] As a concurrent policy, the United States threatened to stop food shipments to India in a further attempt to end the war. Although it is not possible to accurately assess the degree of influence which these threats had upon both states to agree to a cease fire, it is reasonable to assume it did have some influence. Thus it can again be seen that by granting assistance and denying it as the circumstances determine, the United States employs an effective diplomatic tool in the conduct of its foreign policy and diplomacy.

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[3] News item in the New York Times, September 8, 1964.

IV SUMMARY

Military Assistance is employed by the United States as an important tool of diplomacy. In order to receive assistance from the United States, recipients must pay some kind of price, and the costs include legal obligations incurred through treaties and acquiescence to American diplomatic pressures. By means of several kinds of bilateral aid agreements, recipient states oblige themselves legally to satisfy American requirements for aid. These obligations include stipulations regulating the use of provided assistance, disposition of granted equipment, security of military articles and information, and joint financial arrangements. In addition to such contractual obligations, the United States can use assistance as a lever in diplomatic bargaining. It can require recipients to undertake certain actions and policies which are in the American interest in return for the grant of aid. Also, the United States can influence recipient states by the threat to halt aid. By means of securing desired quid pro quos for military assistance, the United States enjoys an influential instrument of diplomacy.

CHAPTER X

EVALUATION AND CONCLUSIONS

I CRITICISM OF MILITARY ASSISTANCE

Since the United States began its modern Military Assistance Program, with the passage of the Greek-Turkish Aid Program of 1947, there has been continual criticism of military aid from several influential quarters. The criticism emanates from the Congress, from certain authors and columnists, and from parts of the academic community.[1]

CONGRESSIONAL CRITICISM

Some members of Congress have been opposed to military aid for two basic reasons. Certain ones have concluded that

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[1] Harold A. Hovey has analyzed several "classical" criticisms directed against military assistance. They include: "military aid is furnished to dictators," "military assistance is an endless program," "military assistance is trying to do too much for too many," "European nations should do more to help the United States bear its world burdens," "military aid causes a drain in the United States balance of payments," "military aid is given to communist countries," "military aid is run by incompetents," "military aid encourages large military forces where they are not needed," "military assistance discourages economic development," "military aid provides equipment which recipients cannot utilize," and "military assistance causes arms races." In his review of these arguments, Hovey has shown that in general these criticisms are invalid. Hovey, op. cit., pp. 219-23.

the results of the program are ineffective and that it has been maladministered. The effectiveness is questioned primarily on the grounds that the military services of the allies which we support do not measure up to American standards of military efficiency. To this argument, one can only agree that none of the United States' allies possess the same combat capabilities as the American services. But the validity of these objections must be measured within the framework of the industrial, financial, and population realities of aid-recipient states. One can hardly expect that countries, whose wealth and industrial production is but a fraction of that of the United States, can create a military capability even approaching that of the United States. Yet these critics argue that military aid, particularly to the smaller states, is wasted because it does not contribute in a meaningful manner to the overall security of the United States. This very criticism seems to call for increased aid to recipients, rather than curtailment, if one accepts the basic premise that the United States needs to maintain these allies within our alliance system.

The second criticism generally emanating from Congress takes the form of charging maladministration of military assistance; but a study of Congressional hearings on the subject can lead to a conclusion that a certain amount of such censure is motivated by purely domestic political considerations. Congressmen are frequently subject to pressures from their constituents to limit federal expenditures. It is easy for the Congressman to show his supporters the effects of

federal spending when it results in pork-barrel projects and other programs readily visible to the voter. But with foreign aid, the projects cannot be seen by the constituents and are thus very difficult to justify to a skeptical public. As a result, one of the easiest federal programs to oppose is foreign aid--opposition to it appeals to economy-minded voters and assuages their xenophobic fears. The effect of these political realities results in yearly Congressional battles between the military assistance advocates and the critics of the program. An example of how tenuous some of the arguments of aid critics become is demonstrated by a dialogue which took place in the hearings on the Foreign Assistance Act of 1965:

> Mr. Gross. Do you have any money in this program for the rehabilitation of Emperor Haile Selassie's yacht?
>
> General Wood. You have beat the horse for several years.
>
> Mr. Gross. It is about time for the yacht to be refurbished?
>
> General Wood. It is time for its annual overhaul, and it is currently being overhauled. It is in the 1965 program. And it is at the Boston Navy Yard.
>
> Mr. Gross. It is there now?
>
> General Wood. Yes, unless the work is finished. I don't know if it is finished.

Mr. Gross. I finally hit some paydirt today.[2]

Although this example appears to be an extreme one, other similar examples could be cited from Congressional hearings and they would give an insight into the problems faced by aid proponents in obtaining federal funds from Congress. Each year the fight continues and it may best be described with the words of a most knowledgeable student of foreign aid who wrote in 1958:

> The mauling which the Mutual Security Program received at the hands of the 85th Congress makes it clear that the American people--or at least their representatives--have yet to endorse unqualifiedly the concept of military aid as a continuing instrument of national policy. . . . Peacetime military assistance, although it has been a recognized tool of statecraft for centuries, is relatively strange to Americans.[3]

PRESS CRITICISM

Another source of frequent criticism of foreign aid originates in the press. Undoubtedly some of the critics make honest appraisals of aid and not only find fault, but also make meaningful recommendations for the improvement of

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[2]Italics not in the original. This dialogue took place during hearings conducted by the Committee On Foreign Affairs on March 12, 1965, while General Robert J. Wood, U.S. Army, Director of Military Assistance, was being questioned by Rep. H. R. Gross of Iowa. Source: United States Congress, House of Representatives, Committee on Foreign Affairs, Hearings on the Foreign Assistance Act of 1965, 89th Congress, 1st Session, on H.R. 7750, February 4-March 10, 1965. (Washington: Government Printing Office, 1965), p. 690.

[3]Amos A. Jordan, Jr., "Military Assistance and National Policy," Orbis, Vol. II, No. 2, Summer 1958, p. 236.

the administration and management of foreign assistance. But at the same time, much destructive criticism is generated by authors of exposé and sensationalism. A good example of such "journalism" is a recent book written to "awaken" the American public to the foreign aid "give-a-way."[4] On the dust jacket are the following comments: "In Peru--we spend $125,000 on an irrigation ditch that does not irrigate (there was not enough water)" and "In Indonesia--we grant an emergency loan of 17 million dollars to bolster the faltering economy. A week later President Sukarno announces he will spend $20 million on three plush jet airliners." And in the same manner, the authors devote 217 pages to describe ten such incidents. The significance of such criticism does not lie in its bias, nor that perhaps that the cited facts may be correct, nor that financial profit can be attributed as the motivation of its authors. The importance of such journalism lies in the fact that such criticism is usually a blanket indictment of all foreign aid and that there is a susceptible audience for such sensationalism. A consequence of such writing is that it helps mold American public opinion which in turn influences the Congress and thus results in pressure to decrease foreign aid in both the economic and military areas.

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[4] Andrew Tully and Milton Britton, Where Did Your Money Go? (New York: Simon and Schuster, 1964).

CRITICISM BY THE ACADEMIC COMMUNITY

A third major source of criticism of military assistance comes from the academic community. Such criticism is very influential because academics are frequently called upon to testify during Congressional hearings on foreign aid. In addition, the opinions of the academic community reach the influential formulators and critics of American foreign policy. The objections to military assistance on the part of scholars appears to stem from their convictions based on liberal and humanitarian grounds. In viewing the enormous needs of mankind for increased food production and industrial development, many academics argue that military assistance is unproductive in achieving the goals of improving the lot of man and insuring peace in the world. An example of such reasoning is related by James R. Schlesinger:

> The Millikin-Rostow approach.
> By far, the proposal /relating to underdeveloped areas of the world/ that has received the most attention up to the present time--in a doctrinal if not in an appropriations sense--is that emanating from the Center of International Studies at M.I.T. It has earned for itself a number of enthusiastic proponents on the Committee on Foreign Relations of the Senate, and has from time to time influenced the thinking of the Administration. The Millikin-Rostow approach . . . /holds the view/ that the West, and particularly the United States, could not survive as an island of freedom if the underdeveloped nations were to turn against democracy-- . . . the M.I.T. proposal strongly opposes substantial military assistance to the underdeveloped areas, since it channels resources away from what the

> underdeveloped nations are, or should be /sic/ interested in--economic development.[5]

There are many similar examples which could be cited from Congressional Reports and Hearings, books, and articles. But they are all essentially based on three criticisms of military assistance: (1) that the aid really does not produce a meaningful increase in American national security because the recipient's military capabilities are not credible and because the threat to American national security from Communist states is decreasing; (2) that military assistance is too expensive and it is simply a "give-a-way"; and (3) that military aid should be replaced by economic aid, particularly to the less developed nations.

II BENEFITS OF MILITARY ASSISTANCE

In spite of the many criticisms of military assistance, the benefits of military aid accruing to the United States still outweigh the alleged faults. In these previous chapters many of them have been described, and the discussion has alluded to several others. In order to compare the advantages of military assistance with the criticisms of the program, a recapitulation of the benefits and successes is appropriate.

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[5] James R. Schlesinger, The Political Economy of National Security, (New York: Frederick A. Praeger, Publisher, 1960), p. 236.

1. American military assistance played a decisive role in enabling the Allied powers to win a military victory in World Wars I and II.
2. As a result of World War II, a power vacuum was created in Central Europe. The Soviet Union attempted to fill the vacuum and first applied pressures on Greece and Turkey. In order to counter these Soviet moves, the United States began the Greek-Turkish Aid Program of 1947 and successfully halted Soviet expansion in these areas. A significant part of the aid to Greece was military assistance.
3. Although the Soviets failed to gain control over Greece and Turkey, they were successful in engineering a Communist coup in Czechoslovakia in 1948. In response to this Soviet success, NATO was formed to create a political alliance and a military force to oppose any further Soviet encroachments in Europe. Only massive military assistance enabled the NATO members to build a credible military deterrent against Soviet expansion. The Soviets enjoyed no more territorial gains in Europe after the institution of NATO.
4. Military assistance to the Republic of China has enabled that state to preserve its independence and deter the People's Republic of China from attempting an occupation of Taiwan.

5. Military assistance granted to the Philippines enabled the Filipinos to successfully defeat the Communist Hukbalahap rebels.
6. Military assistance to Iran between 1946 and 1949 helped that state to eliminate Soviet inspired subversive elements, to resist Soviet demands for mineral concessions, and to create an effective system of internal security.
7. The United States has created a vast network of multilateral and bilateral mutual defense alliances. The goals of these alliances have been political--to prevent Communist aggression and subversion throughout the world--but the means of these alliances has been military strength and power. Without military assistance, the American allies would have been unable to contribute an effective share of military power. Military assistance has been vital to the creation of the North Atlantic Treaty Organization; the Rio Pact; the Southeast Asia Treaty Organization; the ANZUS Pact between Australia, New Zealand, and the United States; and the Baghdad Pact, or CENTO. Also, military assistance has been the means whereby The Republic of China, The Philippines, The Republic of Korea, and Japan have been able to contribute effective military commitments in support of the bilateral mutual defense alliances into which they have entered with the United States. Thus, military assistance has served as a vital means of creating

the military power of the American mutual defense alliance system.

8. By means of agreements which recipient states must conclude, the United States has gained numerous political, military, and economic concessions.
   a. The United States can specify how recipients may use the military assistance they receive.
   b. The United States acquires intelligence information on the military posture of recipients by requiring that they permit American inspection of their forces and installations.
   c. The United States obtains military bases on the territory of the recipients.
   d. The United States gains air and sea access rights.
   e. The United States can influence the strategic planning of recipient states by the selective grant of equipment and training.
   f. The United States may be able to prevent specific courses of actions of recipients by threat of reduced assistance.
   g. By means of threatening to reduce or halt aid, the United States has a means of deterring recipient states from undertaking hostile actions against other states which are allied with the United States.
   h. The United States may be able to influence recipient states to undertake political reforms

by inducing their military forces to engage in Civic Action Programs.

i. The United States can improve the economies of some states by means of American defense and personal spending in the recipient states.

j. The United States can assist certain Communist states in maintaining their independence from Moscow and Peking by means of granting military assistance.

k. The United States can use military assistance, and the threat of its withdrawal, as a lever to force recipient states to desist from trading with states which are hostile to the United States.

l. The United States can require recipient states to enter into treaties which guarantee against the expropriation of American property and against the levying of discriminating taxes on American corporations.

m. The United States can require recipients to purchase certain military equipment in the United States, thus aiding the balance of payments problem and American industry.

n. The United States can require recipients to agree on equipment and armament standardization.

o. The United States is able to engage in extensive indoctrination of foreign military personnel by

granting training and educational programs in the United States.

p. As a repayment for military assistance, the United States can gain access to strategic raw materials possessed by the recipients.

q. The United States can gain economic and technical concessions from recipients, such as patent agreements, agreements on cost-sharing for mutual weapon development, atomic energy information, etc.

III COMPARISON OF CRITICISMS AND BENEFITS

In order to make a meaningful appraisal of the Military Assistance Program, some attention must be given to the critics of military assistance.

COSTS OF MILITARY ASSISTANCE

The cost critics of military assistance, and foreign aid in general, base their arguments on two broad considerations. First, some simply hold that all foreign aid is a waste of the American taxpayer's money. For these critics, there is no simple answer because these people demonstrate a lack of understanding about the dynamics of world politics and the realities of power. One may recite the diplomatic and strategic successes the United States has gained by employing military assistance, but a final judgment on the value of assistance still relies on personal opinion--and judgments based primarily on strong personal opinions are

virtually impossible to refute. The second group of critics, while admitting the theoretical advantages of military assistance, base their criticism on the argument that the results of the aid are not commensurate with the costs. To these critics who argue that military assistance does not provide a reasonable return for the investment, some evidence can be offered.

In his yearly pilgrimage to Capitol Hill in search of military assistance funds, Secretary of Defense McNamara has offered an abundance of arguments for and statistics on military assistance:

> . . . the military assistance program is an essential element of our national defense and a major tool of our foreign policy. It is for that reason that I repeat again this year what I have said before, there is no other money in the entire defense budget that contributes so much to our security in my opinion as the funds in the military assistance program.[6]

The Secretary continued his testimony by citing some pertinent figures on military assistance granted to the forward defense countries (Greece, Turkey, Iran, Pakistan, India, Thailand, The Republic of South Vietnam, The Philippines, The Republic of Korea, and The Republic of China). Their per capita gross national product is $168.55 whereas that of the United States is $3,239. Yet, they spend

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[6]United States Congress, House of Representatives, Committee on Foreign Affairs, Hearings on H. R. 7750 To Amend Further The Foreign Assistance Act of 1961, 89th Congress, 1st Session, on H.R. 7750, February 4-March 10, 1965 (Washington: Government Printing Office, 1965), p. 621.

50 per cent more of their gross national product on defense than the United States does. In again emphasizing the bargain which accrues to the United States in supporting these allies, the Secretary pointed out that the average yearly cost of maintaining one of these forward defense area soldiers is $497, whereas it costs the American taxpayer $4,347 per year for an American soldier.[7]

Another point the Secretary emphasized during the same testimony was the advantage which the United States gains as a result of the training programs conducted for foreign nationals under the auspices of military assistance: ". . . in all probability the greatest return on any portion of our military assistance investment--dollar for dollar--comes from the training of selected officers and key specialists in United States schools. . . . These men are the prospective leaders of their countries, and the United States is fortunate to be able to add to their knowledge and development and to win their friendship and rapport."[8]

Finally, Secretary McNamara has emphatically cautioned Americans on the dangers involved in reducing or halting military assistance. He has argued that failure to allocate sufficient support to our allies can only weaken the defense posture of these states, with the result that American security will concomitantly suffer. He has concluded that

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[7] Ibid., p. 623.

[8] Ibid., p. 632.

there is no alternative to military assistance other than a reduction in American security and a decrease in American foreign policy options.[9]

A notable fact regarding military assistance is that it has enjoyed the enthusiastic and wholehearted support of every administration since the end of the Second World War. In addressing himself to the cost critics of military assistance and to those critics of foreign aid who maintain that the programs are unproductive, President Kennedy offered his evaluation of the program:

> Despite noisy opposition from the very first days--despite dire predictions that foreign aid would 'bankrupt' the public--despite warnings that the Marshall Plan and successor programs were 'throwing our money down a rat-hole'--despite great practical difficulties and some mistakes and disappointments--the fact is that our aid programs generally and consistently have done what they were expected to do.[10]

Another knowledgeable student of foreign aid, Amos A. Jordan, has also presented a case against the cost critics of military assistance. Of particular interest is the fact that while Jordan's views were written in 1958, they are still appropriate some eight years later. In attacking the critics of foreign aid who maintain the United States cannot

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[9]Robert S. McNamara, "The Defense of the Free World," Department of State Bulletin, Vol. L, No. 1302, June 8, 1964 (Washington: Government Printing Office, 1964), p. 899.

[10]Italics not in original. Source: John F. Kennedy, "Foreign Aid, 1963," Robert A. Goldwin (ed.) Why Foreign Aid? (Chicago: Rand McNally Company, 1963), p. 132.

indefinitely afford a large scale military assistance program, Jordan argues that there is a certain limit below which military aid cannot fall and yet be meaningful. As he has succinctly stated, "just as a dike ten feet high cannot cope with a twenty-foot flood crest," cutting the minimum acceptable aid level by one half will not still produce 50 per cent of the minimum acceptable level of security. Jordan further points out that it is virtually impossible to accurately assess the intangible benefits of aid. Military assistance gives tangible evidence to recipients that the United States is willing to give more than mere moral support. The determination of a smaller state to make the necessary sacrifices for mutual defense often varies in direct proportion with the material assistance granted by the United States. Jordan further argues that aid produces a "defense multiplier effect," to borrow an economic phrase. This "multiplier" increases the recipient's total defense posture to a greater level than the original grant or the original capability of the recipient. Or to use another economic analogy, military assistance can raise a recipient's capability to a "take-off point," after which it can develop a credible posture by self-generation. Consequently, Jordan maintains that it is far cheaper to create local military strength out of indigenous forces than to rely on a "Fortress America" strategy or on American expeditionary forces. In summary, Jordan has held that:

> No one can pretend that an annual outlay of two billion dollars is . . . [an optimum amount] . . . or that military aid is a flawless policy

> instrument which can be applied to any and all problems. It is clear too, that in some cases, money has been wasted and that in most cases results have not measured up to expectations. Yet, in the main, there has been progress toward the policy's goal of building mutual security of the free world.[11]

ECONOMIC AID VERSUS MILITARY ASSISTANCE

Other critics of military assistance have held that it is humanitarianly negative in nature because it reduces the amount of economic aid which could be dispersed in its place. This argument presupposes that economic and military aid have mutually exclusive aims and benefits. In addition, such critics hold that not only does military assistance decrease the amount of humanitarian work that the United States could conduct throughout the world, but that military assistance actually decreases the ability of recipients to improve their own lot because American military assistance supports a world armament race and thus diverts the resources of poorer nations from economic investment into military expenditures.

To respond to the second criticism, one may offer a human analogy. Most men have a desire to prosper. But, before they can prosper and succeed in their life's goals, they must first insure that they live. In a like way, although nations and their governments have the obligation

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[11] Amos A. Jordan, Jr., "Military Assistance and National Policy," Orbis, Vol. II, No. 2 (Summer, 1958), pp. 250-253.

to insure and enhance the well-being of the citizenry, they must first insure the physical and political independence of the people. This study has endeavored to present adequate evidence that military assistance has helped insure the independence of United States' allies. But in doing so, has military assistance detracted from the economic well-being of recipient states? One student of this problem has made a detailed study of it. In his summary conclusions, he has written:

> 'Economic aid' versus 'military aid' is largely a false issue--rather they generally support one another. First, even in cases where economic development is judged to be a key objective, it is not always clear that a given amount of economic aid is more conducive to economic growth than is an equivalent amount of military aid. This is especially so for some Latin American countries, for example, where assistance for internal security is predicated on the grounds that the military has an essential role as a stabilizing influence in these countries. Second, it can be argued that in results--if not in labels--the two are almost interchangeable in that military aid will release resources and funds to the recipient country for diversion into other uses and vice versa. Finally, . . . direct spillover effects from military assistance--like infrastructure expenditures and civic action programs, like roads and harbor construction, communication and sanitation facilities--clearly have economic aspects.[12]

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[12] Capt. Douglas N. Jones, "Economic Aspects of Military Assistance," Air University Review, Vol. XVI, No. 1 (Nov.-Dec. 1964), pp. 42-46. For another perceptive analysis on the subject of economic versus military assistance which includes meaningful appraisal of the true costs of military assistance, see: Robert E. Asher, Grants, Loans, and Local Currencies (Washington: The Brookings Institution, 1961).

THE CESSATION OF MILITARY ASSISTANCE

As a final point to be made in answering the critics of military assistance, an examination should be made of the effects of a sizable reduction, or a complete cessation, of military assistance. This very topic was the subject of a study conducted by the Rand Corporation. Six basic conclusions were reached:

1. If the United States would reduce military aid, it would encourage its allies to do the same. This factor is enormously important because it is just within recent years that the United States has been able to induce its developed allies to carry a greater share of the costs of mutual defense. A United States cut-back would tend to encourage its allies to decrease their program.
2. By granting military assistance, the United States acquires intelligence information from its recipients and enhances goodwill and understanding between its allies. Part of these advantages would certainly be lost if military assistance were decreased.
3. A decrease in military assistance would tend to create a power vacuum which the Communists would endeavor to fill.
4. A decrease in military assistance to certain states would result in a loss of American bases in these countries.

5. A decrease in the strength of the American allies would require an increase in United States power and in the end would cost more than the saving in assistance funds.
6. Military assistance in some countries, for example Korea, is a prime requisite for maintaining a stable government. If military aid were decreased in such countries, it is possible that the government would collapse and thus lead to a Communist regime.[13]

The conclusion to be drawn from these comparisons is that military assistance has been a valuable, probably vital, tool of American national security and diplomacy. It continues to be valuable, and it must be continued for at least the intermediate future. It also appears to be quite clear that it is most difficult to evaluate precisely its performance in the pursuit of the American national interests; yet, this fact does not prove that it is not valuable. Its value, at worst, has been as a deterrent against Communist aggression. But there is strong evidence that military assistance has been a vital instrument for insuring the security of the members of the American alliance system and promoting the United States goal of peace and world order.

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[13]Egon Neuberger, "Foreign Aid--Is It Worth Continuing?" (Santa Monica, California: The Rand Corporation, P-2890, April 1964) (Mimeographed.)

IV CONCLUSION

Military assistance has been a valuable tool of American national strategy and diplomacy. It has enabled the United States to create its alliance system of mutual defense. Through this alliance system, the United States has been able to exert a substantial influence in the nations and organizations which receive American military assistance. At the same time, military assistance has created a world-wide military establishment which the United States leads and which has been of critical importance to the United States in its opposition to the expansionism of the Soviet Union and the People's Republic of China. During the past twenty years, military assistance has aided in filling power vacuums throughout the world which were caused by World War II. By filling these power vacuums, the United States has created a degree of world stability which would not have been possible if the United States had followed a policy of disengagement as it did following World War I. These twenty years of relative peace have enabled the world to catch its breath after the cataclysm of World War II and has created the atmosphere wherein the world may be cautiously hopeful for a continued era of peaceful development. It is not insignificant that in the year 1965 the world witnessed an unheralded milestone. As the year ended, the world could observe that it had somehow contrived to live through a longer period of freedom from general world war than had lasted between The Great War and the Second World War. To a

decisive degree, it has been American world leadership which has prevented a renewed world conflagration, and military assistance has been one of the vital tools used by American policy makers in achieving this world stability.

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